

Environmental, Social  
& Governance Report

2023



*RWS Holdings plc is a unique, world-leading provider of technology-enabled language, content and intellectual property services. Through content transformation and multilingual data analysis, our combination of AI-enabled technology and human expertise helps our clients to grow by ensuring they are understood anywhere, in any language.*

*This annual report covers our environmental, social and governance (ESG) performance for the financial year ended 30 September 2023 and our ongoing initiatives and efforts in corporate sustainability.*



**Outside Front Cover:**

Photograph by **Yamini Kumaran** (India), one of the 2023 winners of our Rivers Competition. The photograph shows her son in the Kaveri River, India. The Kaveri (also known as Cauvery) is one of the major Indian rivers flowing through the states of Karnataka and Tamil Nadu.

**Outside Back Cover: 2023 River Competition**

Photograph by **Natasa Evangelopoulou** (Greece): Natasa was one of the winners of our competition for her photograph of the Radovna River which flows through the Vintgar Gorge which is full of waterfalls, pools and rapids. Visitors can follow trails, narrow passages, and bridges to the end of the gorge, which is marked by the magnificent waterfall Šum, the highest fluvial waterfall in Slovenia.

Photograph by **Sofia Prado** (Argentina): Sofia earned special mention for her photograph was taken on a recent trip to the Beagle Channel, Ushuaia, Argentina – which is also known as ‘the end of the world’.





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# Message from our CEO

*We are delighted to share an update on our corporate sustainability initiatives and achievements in our 2023 Environmental, Social and Governance Report.*

Sustainability is core to the way we operate. Our work for our clients gives us a natural global perspective and deep understanding of the impact of what we do.

In 2022 we unveiled our new purpose and values and over the past year we have made significant progress in becoming One RWS where we:

- Strive to create a world where understanding is more universal for everyone
- Are proud of our diversity and celebrate our cultural and technical expertise enabling us to share a deep understanding of client industries and local cultures
- Understand we need to reduce our carbon footprint to ensure the future of the planet

We have made great progress against each of our corporate sustainability pillars – people, community, environment and governance. Our recent engagement survey shows 79% of colleagues believe RWS fosters environmentally friendly practices; 80% believe RWS shows a commitment to ethical business decisions and conduct; 82% of colleagues believe they can report unethical practices without fear of negative consequences; and 78% believe RWS is taking action to be socially responsible.

Our purpose of unlocking global understanding is evident throughout our 2023 ESG Report, and we share

the progress we have made on our sustainability targets and initiatives. Engagement with all our stakeholders has continued to increase. In particular we have made important strides in health and safety and well-being, as well as diversity, equity and inclusion.

Both directly and through the foundation, we have partnered with a number of community organisations such as CLEAR Global, have undertaken fundraising to support the people affected by the devastating earthquakes in Türkiye and Syria, and progressed our focus on education partnering with over 700 universities and sponsoring language students via the RWS-Brode Scholarship Programme.

We hold ourselves to high accountability standards. In FY22 we improved the accuracy of our carbon footprint reporting by improving our greenhouse gas (GHG) emissions data collection to include both our operations and supply chain, and committed to setting carbon reduction targets which are aligned with the Science Based Targets initiative (SBTi). This was further improved in FY23. Our new targets were submitted to the SBTi for validation in December and will be published once validated.

I am pleased to confirm that RWS supports the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption. We remain committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals.

I am proud of the work we have accomplished to date, none of which would have been possible without the unwavering dedication of our people around the globe. To understand and respond to our clients' needs, we believe it is imperative to employ a workforce which reflects the many communities in which we provide services, and seek to shape the future and strive to keep our promises to our clients, colleagues and communities. I am excited about our strategy as we move forward and continue to live our purpose in 'unlocking global understanding'.

We are proud of our impactful ESG efforts and we look forward to continuing our progress over the next 12 months.

**Ian El-Mokadem** | CHIEF EXECUTIVE OFFICER

11 December 2023



**Ian El-Mokadem**



# Our purpose and values



## PURPOSE

*Understanding is at the core of what we deliver for clients and informs our purpose – unlocking global understanding.*

Across our four core use cases (acquiring and retaining clients; delivering user experiences; maintaining compliance; and access to insights), we work towards a common outcome, breaking down barriers to communication and understanding so that our clients can connect with their audiences, solve problems, and grow their businesses anywhere in the world. Our global scale and reach allow us to support those clients whose ambition is to go global. It also means that we can fully support any client on a genuine 24/7 basis, with experts available across multiple time zones. We are not only helping clients succeed, we are helping the world to connect.



**UNLOCKING  
GLOBAL  
UNDERSTANDING**



## VALUES

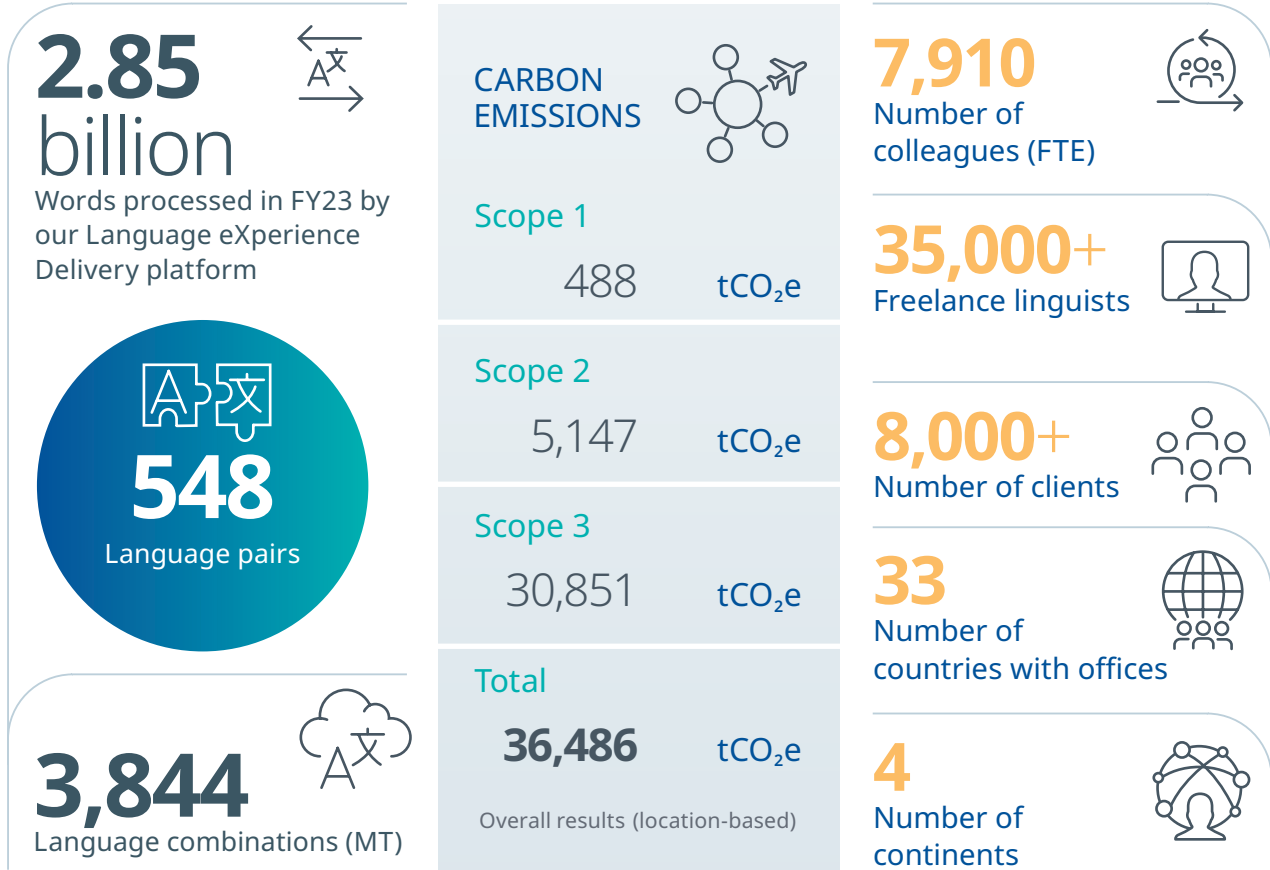
*Our values – we partner, we pioneer, we progress, and we deliver – lie at the heart of everything we do. These values are championed by the Group's Executive Directors, monitored by the Board, and are aligned with good governance to allow for the continued expansion and growth of the business, while enhancing the interests of all the Group's stakeholders.*

The Board understands that upholding good governance is a significant factor in achieving this growth, while at the same time mitigating risks for the long-term benefit of the business. Our values guide the way we think, act and behave and underpin our success in the industry.

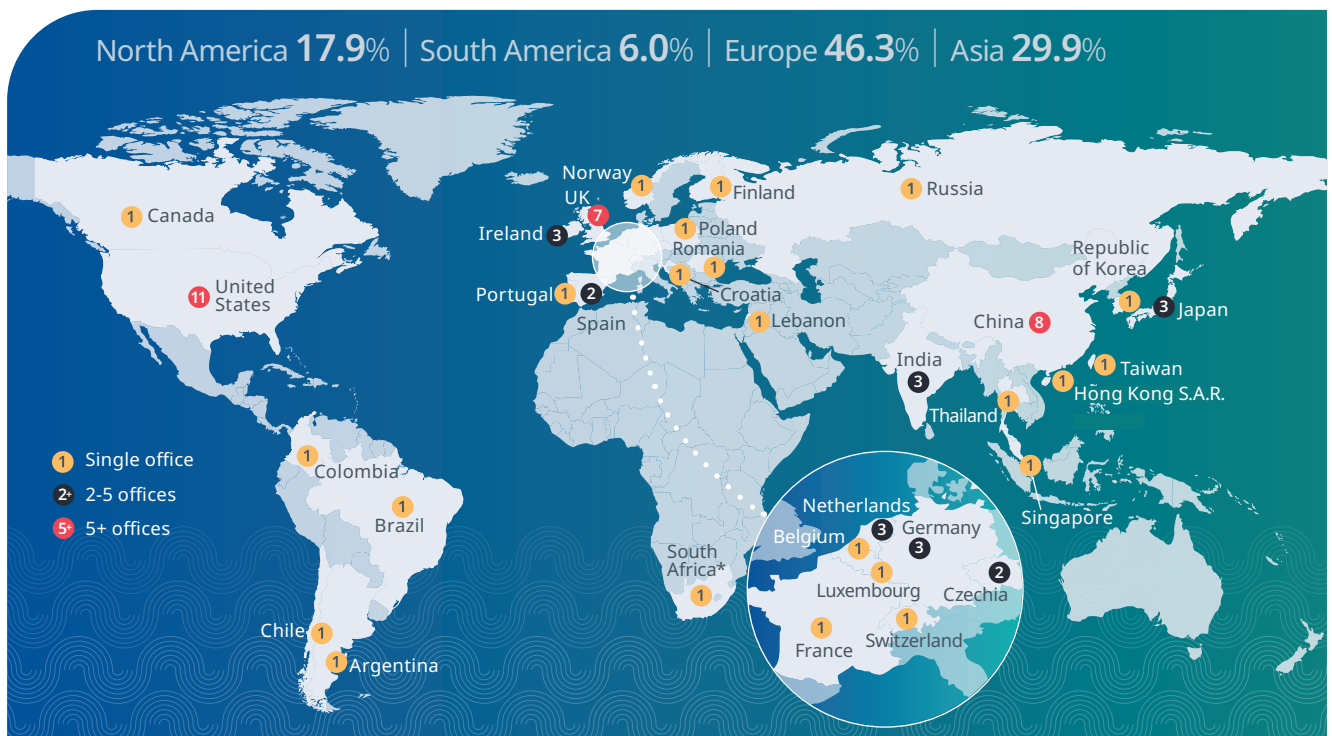
We are strongly committed to upholding the values of good governance as we believe it is important for the long-term success of the business – our clients can depend on us, we can attract the top talent we need to help us innovate, our suppliers can rely on us, and it helps us secure the support of our investors. RWS is committed to promoting transparent, fair and timely decision-making that considers the needs of all our stakeholders.

WE PARTNER	WE PIONEER	WE PROGRESS	WE DELIVER

# Group overview



## OUR GEOGRAPHICAL REACH With over 7,900 colleagues, our colleagues are based as follows:



\*Office in South Africa from October 2023



### REVENUE

£733.8m

-2%  
-6% OCC<sup>1</sup>  
FY22: £749.2m

### ADJUSTED PBT<sup>2</sup>

£120.1m

-11%  
2022: £135.7m

### CASH

£76.2m

-25%  
2022: £101.2m

### PROFIT BEFORE TAX

(£10.9m)

-113%  
2022: £83.2m

### BASIC EARNINGS PER ORDINARY SHARE

(7.1p)

-144%  
2022: 16.1p

## BOARD OF DIRECTORS

As at 30 September 2023

Female

50%

Male

50%

<sup>1</sup> Excluding the impact of acquisitions and assumes constant currency.  
<sup>2</sup> Adjusted profit before tax or Adjusted PBT – is stated before amortisation and impairment of acquired intangibles, acquisition costs, share based payments and exceptional items. Adjusted earnings per share adjusts for amortisation and impairment of acquired intangibles, share based payments, acquisition costs and exceptional items, net of associated tax effects.

### AGE

<30	<30-50>	>50	Undisclosed
27%	62%	9%	2%

### GENDER

Female	Male	Undisclosed
54%	44%	2%

### EMPLOYEE CATEGORY

#### MANAGER

Female	Male	Undisclosed	Total
46%	54%	0%	11%

#### NON-MANAGER

Female	Male	Undisclosed	Total
55%	43%	2%	89%

### EMPLOYEE STATUS

Permanent

89%

Non-permanent

11%

## YEARS OF SERVICE

Number of employees with less than a year's service

9%

Number of employees with between 1 and 5 years' service

54%

Number of employees with more than 5 years' service

37%



## Group overview (continued)



*RWS Holdings plc is a unique, world-leading provider of technology-enabled language, content and intellectual property services. Through content transformation and multilingual data analysis, our combination of AI-enabled technology and human expertise helps our clients to grow by ensuring they are understood anywhere, in any language.*

Our specialist teams combine the latest technology, proven processes and highly-skilled people to deliver complex services at each stage of the product life cycle to meet the diverse needs of a global, blue-chip client base.

Our language services are delivered to and trusted by world-leading companies, including 84 of the global top 100 brands, 19 of the top 20 pharmaceutical companies, 7 of the top 10 Contract Research Organisations (CROs), 9 of the top 10 medical device companies, the top 10 asset management companies, 9 out of the top 10 investment banks and 18 of the top 20 patent filers worldwide. Our key industries cover technology, pharmaceutical, medical, legal, financial services, chemical, automotive, government and telecommunications sectors, which we serve from offices across five continents.

Over the last 65 years we have built a reputation for quality, reliability and flexibility with our global team of linguists, searchers and technical experts.

With headquarters in the UK, we have 67 offices worldwide and our shares are traded on the Alternative Investment Market (AIM), the London Stock Exchange regulated market (RWS.L). All subsidiaries are 100% owned by RWS Holdings plc.

The RWS Group comprises four operational divisions. Each division bears overall accountability and responsibility for revenue, profit, operations, research and development, as well as sales, marketing and client delivery.

Our Language eXperience Delivery (LXD) platform supports three divisions. This unique production platform extensively leverages the technological offerings of the fourth division, Language & Content Technology, with the purpose of enhancing operational efficiency and delivering solutions to clients. While the Language & Content Technology division presents clients with a range of products, it also fulfils a pivotal role as a technical enabler for the LXD platform.

### OUR DIVISIONS

The **Language Services** division offers localisation solutions tailored to clients at various stages of their globalisation journey. These solutions cater to a diverse array of industries, including automotive, chemical, consumer goods, retail, technology, travel and telecommunications. The portfolio covers translation, Artificial Intelligence (AI) data training, eLearning, video localisation and interpreting services. Our clients typically sit within three distinct groups: Technology Enterprises (served by the Enterprise Internationalisation Group), Major Accounts and GoGlobal, which includes entry-level clients and businesses with less mature localisation models (the latter two are overseen by the Strategic Solutions Group). We frequently integrate our language and content technologies alongside our service offerings.

The **Regulated Industries** division delivers a range of services tailored to the life sciences, financial services and legal sectors. Our service offerings are primarily centered around highly specialised, technical translations, underpinned by a focus on quality and security. Clients include 19 out of the world's top 20 pharmaceutical companies, 9 of the leading 10 medical device companies, and 18 of the top 20 law firms.

The **Language & Content Technology** (L&CT) division offers clients a mix of translation technologies and content management platforms. These include Language Weaver, a pioneering figure in machine translation (MT), and Trados, a suite of solutions for translation productivity and management tools for enterprises, small and medium-sized organisations, as well as individuals. Tridion, Fonto, Propylon and Contenta comprise RWS's content management portfolio, which spans structured, web, legislative and technical content management solutions. These business units are led by four general managers who hold responsibility for driving the revenue and expansion of their respective products.

The **IP Services** division holds is a global leader in offering patent-related solutions, from patent translations, filing and renewal solutions to Intellectual Property (IP) search, retrieval, and monitoring services. This division is delivers specialised technical translations tailored to the requirements of patent applicants and their legal representatives. Clients include 18 out of the world's top 20 patent filers.







## OUR SUPPORT FUNCTIONS

The LXD platform provides a support function for our three services divisions. It capitalises on the Group's extensive scale, ongoing investments in proprietary technologies, encompassing MT, AI and translation productivity tools, as well as its cultural expertise. The framework also gives clients access to the world's largest linguistic network, which includes 1,750 in-house translators and in excess of 35,000 freelance specialists. The LXD's linguistic and technical expertise serves as the bedrock for offering uninterrupted services 24/7/365 to clients in over 100 countries.

Our support functions provide efficient and streamlined shared services. These functions play a pivotal role in supporting our four divisions and facilitating the seamless integration of acquisitions while furthering margin development. These functions include Corporate Development, Finance, Human Resources, Information Technology, Legal, Data Privacy and Company Secretariat.

## OUR PRODUCTS

Machine translation:

- **Language Weaver®:** AI-powered cloud-based solution providing secure, real-time translation across 3,000+ language combinations, built for modern enterprises and government organisations.
- **Language Weaver® Edge:** AI-powered translation solution deployed on-premises or in a private cloud within clients' own private environments, providing real-time machine translation that is secure by design and fully scalable.

Language Technology:

- **Trados® GroupShare:** Server-based translation collaboration solution
- **MultiTerm™:** Desktop terminology management solution
- **Passolo®:** Software localisation tool
- **Trados® Accelerate:** The out-of-the-box translation management system (TMS)
- **Trados® Enterprise:** Translation management system (TMS) designed for organisations with bespoke requirements
- **Trados® Studio:** Computer-assisted translation (CAT) tool for businesses and translators
- **Trados® Team:** Cloud-based translation collaboration solution
- **Trados® Terminology:** Cloud terminology management solution

Content management:

- **Brex Builder (Business Rules):** application for the establishment of business rules for content management
- **Foundation Suite (S1000D Prj Mgt):** platform for S1000D project management in Aerospace & Defence (A&D)
- **Contenta®:** Content management for structured content
- **Contenta® S1000D:** Content management for A&D specific S1000D projects
- **LiveContent Maintenance Viewer:** Online or offline digital viewing of maintenance instructions
- **Fonto®:** an XML authoring tool
- **Propylon®:** a composition engine for the government, legal, assurance, audit and publishing industries.
- **Tridion® Docs:** a component content management system
- **Tridion® Sites:** a web content management system
- **XPP™ (XML Professional Publisher):** an accessible publishing engine for the A&D, government, financial, legal, managed healthcare and publishing industries. Develop and publish accessible multi-language content in digital, PDF and print formats

To learn more about our broad range of capabilities, visit our website at [www.rws.com](http://www.rws.com). Information on our website is not part of this report.

## OUR SERVICES

RWS provides its services across five continents: Asia, Australia, Europe, North America and South America.

- Accessibility
- eLearning
- Creative production services
- TrainAI data services: AI data collection, annotation and validation services in any language, at any scale, to train generative AI, large language models (LLMs), augmented intelligence systems, and other AI applications
- Interpreting services
- Linguistic quality services
- Multimedia services
- IP Services: providing corporate legal departments and patent attorneys with the highest-quality patent translations, seamless global patent filing supported by a patent renewals service, and a wide range of cutting-edge IP research services
- Professional services
- Regulatory services
- Testing services
- Translations and localisation services
- Linguistic validation – the process of ensuring translation accuracy and compliance in clinical trials

# Our approach to corporate sustainability and reporting



*RWS is a world-leader provider of technology-enabled language, content and intellectual property services. We understand that to be a world-leading company we need to behave responsibly with high ethical standards and a zero-tolerance approach to bribery, corruption and other financial crime.*

Our purpose is to benefit society through unlocking global understanding. Understanding is at the core of what we deliver for clients, helping them to connect with their audiences, solve problems, and grow their businesses anywhere in the world. We are not only helping clients succeed, we are helping the world to connect.

We believe in transparent, comprehensive and timely reporting and continue to improve the transparency and credibility of our environmental, social and governance (ESG) disclosures through the adoption of globally recognised sustainability reporting standards. Measuring and benchmarking our corporate sustainability initiatives, targets and progress demonstrates our commitment to continuous improvement in achieving and maintaining high standards of corporate sustainability in our business activities and interactions with our people, our clients, our suppliers, our investors, our community and the environment around us.

Our pioneering spirit, our focus on collaboration and partnership, and our growth mindset all contribute to our ability to deliver. Our values help us guide and strengthen our culture and are a reminder of what is important to us.

We are inspired by delivering efficient and high-quality services to existing and new clients across our global platforms; and we provide an increasing range of appropriate products and services to existing and new clients to drive organic growth. The capability to leverage technology, coupled with our global reach and scale, enable us to operate efficiently; this ensures our offerings remain highly competitive.

Our principal risks are outlined in our 2023 Annual Report. The Board routinely monitors risks that could materially and adversely affect the Group's ability to achieve strategic goals, its financial condition and the results of its operations. We have mapped these principal risks to attracting and retaining the right people, meeting our clients' needs, managing data responsibly and securely, managing our climate-related risks, as well as ensuring our supply chain is ethical. Our risks are also reviewed to ensure appropriate actions are taken to ensure mitigation, where appropriate, to protect our reputation, and to ensure we minimise disruption to our clients, as well as financial loss to the company.

Through partnership and pioneering, together we can enable a healthy and inclusive workplace, a sustainable environment and marketplace, all within healthy communities.





## SASB

As part of the International Financial Reporting Standards (IFRS) Foundation, we report on the SASB Standards sector-specific disclosure topics contained in the Professional & Commercial Services industry, which includes the following disclosure topics:

- Data security
- Workforce diversity and engagement
- Professional integrity

By including SASB's industry-specific standards, we aim to provide decision-useful sustainability information to investors (see pages 70 to 73).



## TCFD

We are reporting in line with the Task Force on Climate-related Financial Disclosures (TCFD) in this ESG report. To meet this framework, we analyse scenarios to identify and assess climate-related risks and opportunities, and have evolved our governance, strategy, risk management, and metrics and targets accordingly. Read more about TCFD and how we manage our climate-related risks on pages 74 to 86.



## GRI

As we have over the past two years, we will report FY23, separately, in accordance with the new GRI Standards. GRI helps organisations be transparent and take responsibility for their impacts on people and the planet.



## UNGC

RWS is a participant in the United Nations Global Compact (UNGC), a voluntary leadership platform of responsible business practices. The UNGC is a call for companies to align their operations and strategies with 10 universally accepted principles in the areas of human rights, labour, environment, and anti-corruption, and to take action in support of goals and issues embodied in the United Nations' Sustainable Development Goals (SDGs). In addition to the message from our CEO and statement of continued support, which can be found on page 4, we provide descriptions of practical actions we have taken to implement the UNGC's ten principles throughout this report.



# Sustainability



*Our corporate sustainability policy encompasses the way we do business and interact with our people, our clients, our suppliers, our communities and the environment around us. Our commitment to corporate sustainability is in line with our purpose of unlocking global understanding and our values (we partner, we pioneer, we progress, and we deliver), and aims to deliver continual improvement in our economic, social and environmental performance.*

In 2020 RWS joined the United Nations Global Compact initiative, a voluntary leadership platform for the development, implementation and disclosure of responsible business practices. Our commitment to sustainability is channelled through specific goals which underpin our actions, operations and reputation and are aligned with the SDGs. RWS participated in the Early Adopter Programme, disclosed our progress on the new Communication on Progress digital platform and had the opportunity to provide targeted feedback to shape the platform last year before its full release earlier this year.

RWS is committed to achieving and maintaining high standards of corporate sustainability in its business activities and presents its corporate sustainability strategy to the Board annually.

Following engagement with all our stakeholders, RWS maps its sustainability goals and actions to four pillars.

## THE RWS FOUR PILLARS OF SUSTAINABILITY

### OUR ENVIRONMENT



- Reduce energy consumption and emissions
- Reduce waste, increasing re-use and recycling
- Take actions to improve the environment

### OUR PEOPLE



- Attract, recruit and retain the best people
- Education and career opportunities
- Diversity, equity and inclusion
- Health and well-being

### OUR COMMUNITIES



- Contribute positively to the communities in which we operate
- Partnerships to support and empower young people through education

### OUR GOVERNANCE



- High ethical standards, including our supply chain
- High standards of client service
- Robust and secure infrastructure



## STAKEHOLDER FRAMEWORK

Initiating and maintaining dialogue with our stakeholders enables the Group to align our sustainability initiatives and business models to their concerns. This feedback is important during our decision-making processes and enables us to better develop the four pillars of our sustainability strategy.

We recognise three distinct levels of RWS stakeholders in our framework, with our clients, colleagues and investors being the central stakeholders for the Group.

We increased our focus on stakeholder issues in two ways – by increased engagement with our stakeholder groups and through a review of our material corporate sustainability topics and emerging issues using a software analytics platform that supports a data-driven and dynamic materiality process.



## MATERIALITY ANALYSIS

It has long been understood that ESG issues can have a material impact on cash flows and the financial value of a company. The International Sustainability Standards Board (ISSB) recognises that financially material ESG issues represent sustainability-related risks and opportunities for companies. This is also known as an outside-in perspective on sustainability issues or financial materiality.

However, disruption from major global events is demonstrating that we must also be accountable for impacts on society and the planet. This is also known as an inside-out perspective on sustainability issues or impact materiality.

An understanding of both financial and impact materiality, double materiality, is key to ensuring clarity over a company's material issues, and accordingly what ESG issues to prioritise in its strategy, budget allocation, public disclosures, and risk and opportunity identification.

Last year we reported we had started identifying and prioritising material issues using Datamaran's software as it enables a data-driven and dynamic process for ESG risk identification and monitoring. This year RWS was one of the first companies to start utilising Datamaran's software to take account of double materiality issues.

Double materiality looks at the risks a company's activities pose to the environment and society, as well as those that the company potentially faces from the external environment, providing a dual lens from which to inform, organise, and prioritise topics within an ESG strategy.

Building on last year's materiality analysis, the Datamaran software has enabled us to gain a continuous, evidence-based review of ESG-related risks within our regulatory, competitive, and operating contexts. This approach ensures that we can continue to build an ESG focus that responds to external events, evolving business priorities, stakeholder expectations, and our own performance results.

The materiality survey went to over 80% of our shareholders, 37.5% of our key clients, our Board, our Executive Team and our Senior Leadership Team. The insights from the materiality analysis, showed us that client privacy and data security; colleague diversity and inclusion; colleague health and safety; ethical corporate behaviour; workforce management; human rights; and climate change and GHG emissions are most important to our stakeholders. The matrix ranks the materiality of issues raised.

- 1 Client privacy and data security
- 2 Colleague diversity and inclusion
- 3 Colleague health and safety
- 4 Ethical corporate behaviour
- 5 Workforce management
- 6 Human rights
- 7 Climate change and GHG emissions
- 8 Client practices
- 9 Innovation and technology
- 10 Governance structures and mechanisms
- 11 Public health risks
- 12 Labour practices
- 13 Transparency
- 14 Management of the legal and regulatory environment
- 15 Business model resilience
- 16 Energy management
- 17 Access and affordability
- 18 Sourcing efficiency and management
- 19 Community relations
- 20 Physical and sociopolitical risks
- 21 Transition to renewables and alternative energies
- 22 Natural capital
- 23 Competitive behaviour
- 24 Responsible consumption and production
- 25 Waste and hazardous materials management
- 26 Selling practices and product labelling
- 27 Ecological impacts

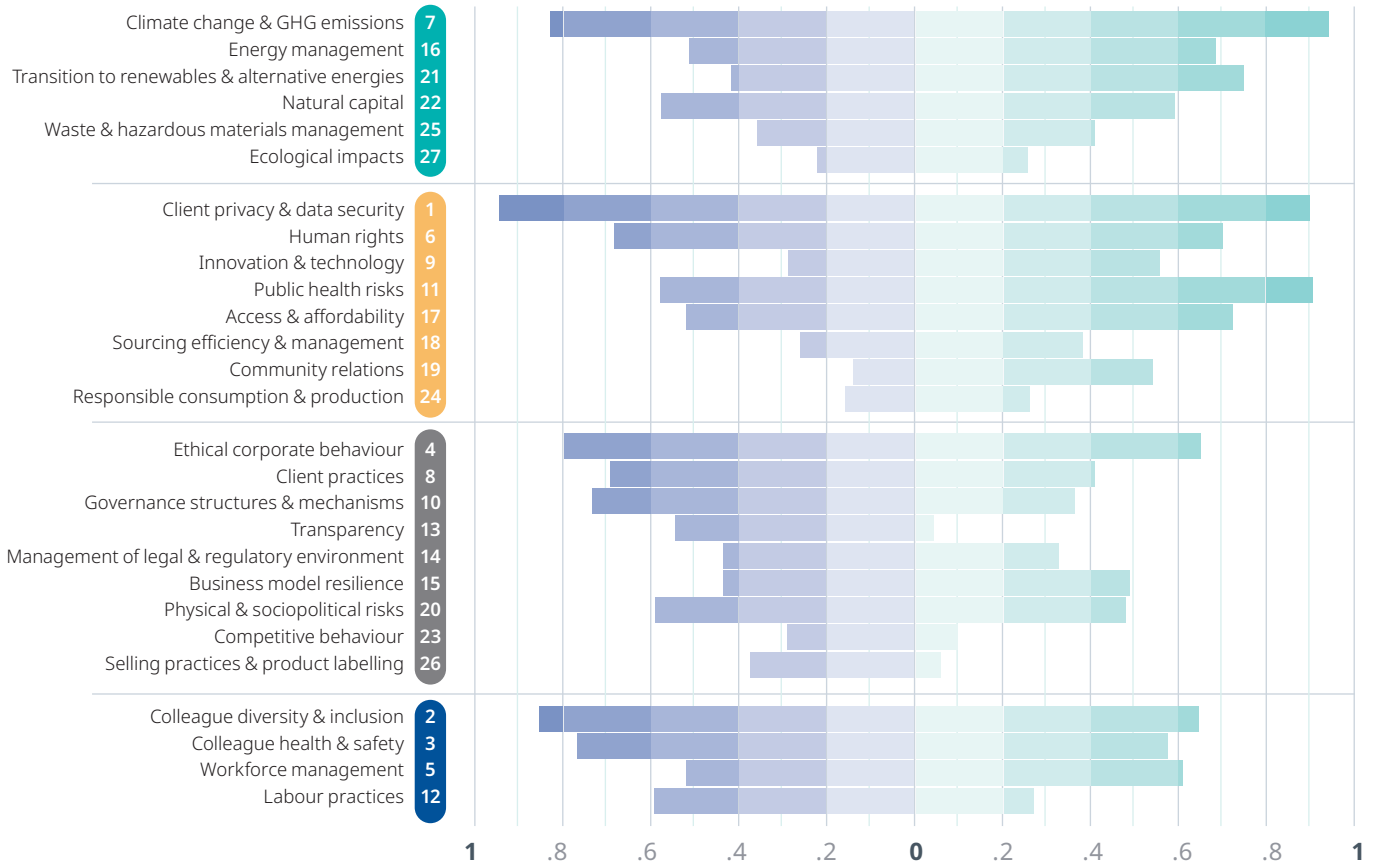


**Legend**



Source: Datamaran

- ENVIRONMENT
- PEOPLE
- COMMUNITY
- GOVERNANCE



Source: Datamaran



## Sustainability (continued)

Material	Topic	Definition
1	Client privacy and data security	The aspect of information technology that deals with the protection of private corporate information, critical information systems and networks from security breaches.
2	Colleague diversity and inclusion	This issue refers to the processes and mechanisms a company has to grow and maintain diversity in the workforce and ensure equal opportunities and treatment for all employees.
3	Colleague health and safety	A company's safety performance and the mechanisms that it has in place to maintain a safe and healthy workplace environment. It captures protocols, training, work arrangements, and the physical and mental working conditions to which employees are exposed.
4	Ethical corporate behaviour	The moral code of conduct and guiding principles to the strategic and operational management of a business. It captures the management of risks and opportunities associated with ethical considerations, lawful behaviour, and compliance practice.
5	Workforce management	The process of ensuring the workforce is functioning at its most productive levels and copes with organisational changes. It captures employee recruitment, retention and development practices.
6	Human rights	The fundamental rights and freedoms inherent to all human beings that ensure they are able to live with dignity, freedom, equality, justice, and peace, and the measures necessary to uphold these rights and the protection of the rights of the child as relates to anticipating, preventing or responding to any form of violence, exploitation, abuse or practices that might be harmful to a child's physical and mental development and integrity.
7	Climate change and GHG emissions	Managing climate-related risks and opportunities from actual or potential physical and transition impacts. It also includes the direct and indirect emissions of greenhouse gases (GHGs) and emission reduction targets to limit individual company contributions to global warming.
8	Client practices	The dynamics of client expectations that affect satisfaction, loyalty and brand reputation and the mechanisms to ensure consumers are treated fairly and honestly during commercial transactions.
9	Innovation and technology	The development and use of advanced technologies and digital innovations to generate new business processes and improve clients and other stakeholders' experiences.
10	Governance structures and mechanisms	The mechanisms, procedures, and rules concerning the company's internal control, supervision, reporting, and decision-making system.
11	Public health risks	Major risks to public health, including the spread of infectious diseases and eventual pandemics, the availability of vaccinations and the anti-vaccine movement, and potentially deadly non-communicable diseases.
12	Labour practices	Employment practices regarding internal and external workforce throughout the value chain, compliance with regulatory regimes and internationally accepted labour standards in the workplace. It captures minimum labour rights, employee benefits, fair compensation and worker-related corporate sustainability initiatives.
13	Transparency	The comprehensive management of corporate communication through the systematic recording, reporting, transmission of information and analysis of corporate developments, performance and management.
14	Management of the legal and regulatory environment	This issue refers to the company's regulatory compliance strategy and how it engages and aligns itself with regulators to make public and corporate interests compatible. It captures corporate compliance management, lobbying and government relations, as well as responsible tax planning.





Material	Topic	Definition
15	Business model resilience	Identifying and managing risks and opportunities connected to social, environmental, and economic challenges into the business model planning. It focuses on how companies respond and adapt to these changes to carry on their activity, grow and create value for shareholders and society in the long term.
16	Energy management	The management of the environmental and social consequences associated with energy use. It addresses a company's management of its energy consumption, production, diversification, recovery, and reductions.
17	Access and affordability	A company's ability to ensure all individuals and population groups can access their products and services without discrimination. It includes the management of universal needs, affordability and accessibility.
18	Sourcing efficiency and management	The establishment of commitments and policies designed to trace, screen, monitor, and follow up with supplier performance against one or more ESG dimensions, while on the other hand, the management of supply chain risks concerning supply shortages or disruptions. It captures strategies to maintain fluid communication and support between a company and its suppliers.
19	Community relations	The management of the relationship between businesses and the communities they operate or which they interact with, considering engagement mechanisms, community contributions, and positive or negative impact on local communities.
20	Physical and sociopolitical risks	The challenges due to the changes in society, politics, and people due to an event or general trend and natural and human-induced disasters.
21	Transition to renewables and alternative energies	The transition from a predominantly fossil-based energy production system and consumption to renewable and alternative energy sources, including policies, goals, accounting instruments and technologies that facilitate that transition.
22	Natural capital	The stock of capital derived from biological diversity and ecosystems as well as natural resources.
23	Competitive behaviour	Practices that prevent or restrict free trade or competition between commercial actors in a market, including anti-competitive behaviour and protectionism. It also captures protection and infringement of intellectual property rights.
24	Responsible consumption and production	The company's ability to promote sustainable consumption and production patterns.
25	Waste and hazardous materials management	The gaseous, liquid and solid substances used or disposed of in business operations or present in products that threaten human health or the environment. Captures the generation, treatment, recovery, recycling and reduction measures of hazardous and non-hazardous waste and the handling, storage and application of hazardous material.
26	Selling practices and product labelling	The requirements, standards, certifications and established practices regarding the information presented to consumers when advertising and selling goods and services. On the other hand, it refers to the social challenges related to the failure to provide transparent, accurate and complete information.
27	Ecological impacts	The contamination of natural resources due to harmful substances, excessive use or exploitation, and general corporate operational impacts that affect the protection of land, forests and biodiversity resources..

# Sustainability (continued)



## STAKEHOLDER ENGAGEMENT

RWS has identified the following key stakeholders and is committed to enhancing engagement with them all.

- OUR BOARD
- OUR SHAREHOLDERS
- OUR PEOPLE
- OUR CLIENTS
- OUR SUPPLIERS
- OUR COMMUNITY



## BOARD OF DIRECTORS

The Board is committed to enhancing engagement and seeks to build honest, respectful and transparent relationships with all of the Company's stakeholders, taking into consideration what matters to each group. The interests of our stakeholder groups are considered by the Board through a combination of:

- Regular reports and presentations at scheduled Board and Committee meetings, including operational reports presented by the Chief Executive Officer, and updates from the Chief Financial Officer and other members of senior management on a range of matters including:
  - Strategy
  - Financial, treasury and tax matters
  - Capital allocation and shareholder returns
  - Health, safety and well-being
  - Speak-up Policy
  - Risk, assurance and controls
  - Governance and business ethics
  - Cyber security
  - Colleague matters (including colleague engagement, workforce and management diversity, gender pay gap, workforce remuneration and related policies)
  - Markets
  - Operational performance
  - Suppliers
  - Community
  - Environment and sustainability
  - Client and investor feedback
- Unscheduled Board and Committee meetings if the Board needs to be informed of matters, or when a decision is required before scheduled Board meetings – such as trading updates, material events or M&A opportunities.
- Regular briefings from Executive Directors, senior management and subject matter experts, which include details of engagement with stakeholders, strategy, performance, local market and competitor positions, operational and colleague matters, and client satisfaction and business development.
- A rolling agenda of matters which are considered by the Board and Committees throughout the year, including an annual strategy review which considers the purpose of the Company and the strategy to be followed by the Group, supported by a budget for the following year and a medium-term financial plan.
- Formal consideration of large contracts, acquisitions, refinancing, share buybacks, dividends and other matters, including any factors which are relevant to major decisions taken by the Board through the year, in line with the Delegation of Authority and Terms of Reference for each Board Committee.
- The risk management process and other routine Audit Committee, Nomination Committee and Remuneration Committee agenda items.
- Feedback from colleagues through responses to the annual RWS engagement survey.
- A focused approach to client engagement through both face-to-face visits with our significant enterprise clients, and the 'voice of the customer' programme insights, tabled at Board meetings.



The Board also engages with stakeholders through news releases and stock exchange announcements on a wide range of matters, including regular trading updates, half-year and full-year results reports and accompanying presentations, changes to the Board, key leadership appointments, material shareholdings, refinancing and corporate transactions, acquisitions, contract awards and losses, and operational updates from across the Group. These news releases and stock exchange announcements drive *ad hoc* engagement with stakeholders and are available on the Company's website.

Details of the Group's key stakeholders, their key concerns, and how the Board engages with them are as follows.

## OUR SHAREHOLDERS

Engagement with and receiving the support of our shareholders is a key factor in achieving our ambitions. We seek long-term relationships based on transparency, honesty and clarity – all of which are critical for building trust.

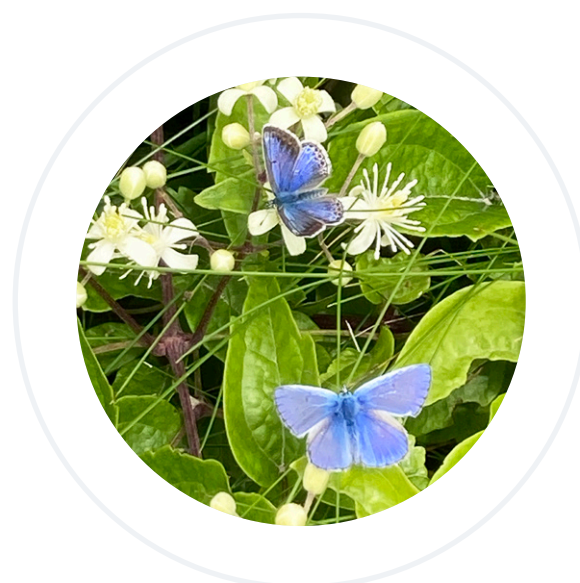
Our shareholders are concerned with a broad range of issues, including how the Company has responded to and is affected by:

- Conflicts and geopolitical events
- Impact of economy-wide forces such as price inflation
- Other operational and financial performance issues
- Developments in our markets
- Regulatory developments and the execution and delivery of our strategy
- Sustainability of our business
- Impact RWS has on the communities we serve and the environment in which we operate
- Capital return through share price appreciation and distributions
- Evidence of good governance, positive contribution to society and protection of the environment

Shareholders receive regular updates in addition to the half-year and full-year results reports and accompanying presentations. The Chief Executive Officer and Chief Financial Officer meet with shareholders to discuss relevant developments in the business at our post-results roadshows, via attendance at investor conferences, and on an *ad hoc* basis. We also consult with investors and fund managers to seek their views and actively engage with proxy advisors and ESG analysts to provide feedback on specific topics.

In October 2023, we held an Artificial Intelligence (AI) and technology-focused teach in event for shareholders and analysts. It was attended by the Chief Executive Officer, the Chief Financial Officer, and other members of the Executive Team. This included a series of presentations and Q&A sessions to demonstrate how the Group has been pursuing the strategy set out at its Capital Markets Day in 2022, with a specific focus on opportunities to drive both growth and efficiency through its unique range of AI and technology products, its AI-oriented services and its operating platform, as well as live demonstrations of the Group's Language Weaver, Trados, Tridion and TrainAI® offerings.

The AGM provides a valuable opportunity each year for private shareholders to hear from the Board, and for the Board to hear from our private shareholders. The feedback received from the meetings with shareholders is provided to the Board as part of the rolling agenda of matters to be considered by the Board and Committees throughout the year. This year's AGM will be held on 22 February 2024, at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY.





## Sustainability (continued)

### OUR PEOPLE

Our colleagues are at the heart of our business. Our activities are highly reliant upon the skills, dedication and passion of all our colleagues and freelancers around the world. We are the sum of the efforts, energy and values of our colleagues, who are critical to meeting our clients' demands for excellent quality, timely delivery and effective product solutions. We know that career progression and fulfilment, flexible working, belonging to an organisation with purpose and strong values, well-being, safe and inclusive working environment, and reward and recognition matters.

Through our annual Group-wide engagement survey, we know that our colleagues are happy working with RWS and would recommend RWS as a great place to work.

Each year our colleagues provide their views on a wide range of topics in the awareness days that we run. This year these included International Women's Day 2023, Well-being Month 2023, Celebrating PRIDE, World Health & Safety Day 2023, Earth Day 2023 and Black History Month. These were promoted via our Group communications channels.

We continue with our dedicated Group-wide pillars in the following areas of broad-based colleague interest and have built on the successes of these groups in FY23. The purpose of these groups is to identify strategies for meeting the collective interests reported by each group, thereby driving engagement and increasing the representation, voice and contribution/influence of that group over time. Each has their own Employee Resource Group (ERG) to provide feedback into the Group diversity, equity and inclusion plans and support initiatives that are bespoke to their pillar. Each ERG has an Executive Team member as a sponsor, an HR leader, and a dedicated learning and development team member supporting it to ensure appropriate organisational prioritisation and influence. The ERGs are:

- Culture
- Ethnicity
- LGBT+
- Persons with disabilities
- Women at RWS

RWS rolled out in FY22 the learning management platform. 'My Learning Experience' (MyLX) across the Group, demonstrating our commitment to building a culture of continuous learning. This is a learning management system, powered by Skillsoft, which will enhance everyone's development so that they can flourish and help the Company to realise its full potential. MyLX offers more than 53,000 training assets (including custom content), of which some are available across 19 languages, in multiple formats including live virtual classes, eLearning modules and book downloads. See pages 36 to 47 for more information.

### OUR CLIENTS

We are proactive in building long-term relationships with our clients and have a proven track record in doing so.

We work closely with them to understand their requirements and put teams in place that meet their specific needs.

The open channels of communication we like to maintain with our clients help us anticipate their needs and pre-empt and/or immediately address possible areas of concern and always remain alert to identifying areas for streamlining our processes and continuous business improvement.

RWS runs a central experience management programme for clients. The RWS 'voice of the customer' programme aims to generate an accurate and consistent understanding of our clients and suppliers to build better experiences and positive business outcomes across the Group. The RWS 'voice of the customer' programme ensures a continuous and neutral approach to listening and learning – turning client feedback into actionable insight enabling us to understand the core drivers of client behaviours to act upon and improve business KPIs such as renewals and referrals, supporting organic growth.

During FY23 we also engaged with clients seeking their feedback on ESG materiality. See page 60 for more information.





## OUR SUPPLIERS

We believe it is important to have two-way communication with our suppliers, fostering better relationships, keeping our suppliers updated on our requirements as well as assisting with efficiencies, quality, insight, costs and reliability.

We strive to foster better relationships and two-way communication with our suppliers, keeping them updated on our requirements, as well as assisting with efficiencies, quality, insight, costs and reliability. We have also implemented a Supplier Code of Conduct which sets out the standards and responsibilities that RWS expects its suppliers to adhere to when working with RWS.

During FY23 we engaged with our suppliers in numerous ways. These included electronic newsletters, vendor feedback and satisfaction surveys, holiday capacity surveys, buddy meetings between language leads, monthly welcome calls, onboarding sessions, specialised training sessions (such as programme-specific post-editing training delivered on an individual basis, workshops on creative translations and best practices for our service providers, specialised training on subtitling and challenges for APAC languages), as well as surveys to get feedback on the training provided and their feedback on ESG materiality. See page 61 for more information.

## OUR COMMUNITY

Our communities comprise those living and working in or near our operations and those who represent the needs of the communities we operate in, including charities, schools and universities. We strive to maintain a deep understanding of the complex social challenges that impact them, whilst recognising our responsibility to contribute to the sustainability and well-being of society and the economy wherever we operate.

RWS and the Foundation encourages its colleagues to volunteer in the community and five working days can be taken annually to get involved in charitable initiatives (see pages 48 to 59).

We provide an active programme of charitable support and promote foreign language learning actively through school and university partnership programmes including RWS Campus and the RWS-Brode Scholarship Programme. Our colleagues, through The RWS Foundation Türkiye Appeal, showed overwhelming support and raised over £7,500. Their donations went to the Turkish Red Cross and the AHBAP charity in Türkiye. The Foundation also made further donations to the Disasters Emergency Committee Türkiye-Syria Earthquake Appeal and UNICEF, the UN's children's fund.



## Sustainability (continued)

*The 2030 Agenda for Sustainable Development, adopted by all 193 UN Member States in September 2015, is a plan of action for people, planet and prosperity, and seeks to strengthen universal peace and larger freedom. The Sustainable Development Goals comprise 17 goals, such as the elimination of poverty and hunger, fighting climate change, supporting decent work conditions, and creating sustainable cities and communities, and 169 targets.*

*Fulfilling these ambitions will take an unprecedented effort by all sectors in society and we all have an important role in the process. As part of our commitment, we are aligning our business strategies and vision with the Sustainable Development Goals and Targets, driving change, developing partnerships and implementing best reporting practices.*

### THE RWS FOUR PILLARS OF SUSTAINABILITY

This is our fourth year of undertaking materiality assessments which enable us to report on issues which are important to our stakeholders and outline future initiatives while taking into consideration our business goals and risks. We now identify and prioritise material issues using software by Datamaran which enables a data-driven and dynamic process for ESG risk identification and monitoring.

For each of the four pillars identified from the materiality index, we have identified primary goals aligned to the SDGs and have established a set of policies and guidelines to underpin our activities, whilst looking to improve our actions and reporting in each of the areas.



#### Responsibility for the environment

- By providing policies and management systems based on environmental best practices, we ensure active prevention and limitation of potential impacts on climate change and the environment caused by our operations.
- We have signed up to the United Nation's Race to Zero and made a commitment to the Science Based Targets initiative (SBTi) to reduce our carbon emissions by setting science-based targets.
- We are moving to renewable energy, where possible, and optimising LED and motion lighting in offices to improve energy efficiency.
- We have a Green Agenda pillar with an associated section on the intranet dedicated to environmental issues. We hold awareness days and include articles of interest in our monthly Group-wide newsletter to increase the understanding of climate change, what we can and are doing to mitigate risks, and reduce its impact on our colleagues and operations.
- We have established colleague-led environment teams to suggest and action local initiatives to improve the environment.
- RWS is an office-based business services operation and has little exposure to harmful and hazardous materials. Nevertheless, we have developed and defined strict controls to manage, handle, store and dispose of harmful and hazardous substances to minimise the environmental release-risks according to local guidelines and regulations.
- We deliver services in a manner which does not compromise the environmental impact of our clients' operations in the communities where they operate.



## Responsibility to our people



- We foster working conditions which support effective health and safety programmes, non-discrimination principles as well as labour and human rights.
- Health and safety for our colleagues is extremely important and our operations are reviewed and monitored regularly; RWS is committed to a robust health and safety policy at the highest level.
- Following the pandemic, we have adopted a hybrid working model for our colleagues. The Executive Team and Senior Leadership Team are in regular communication with colleagues globally, both through virtual meetings and through an enhanced group intranet which has provided information and

advice on working from home to ensure the mental and physical well-being of our teams.

- We provide an environment that allows good career and professional development opportunities and enables all RWS colleagues to fulfil their potential, therefore allowing the Group to retain and attract highly talented professionals.
- We foster diversity among our teams based on the Group's Diversity, Equity and Inclusion Policy.
- We train our professionals to improve existing skills and develop new capacities. We create a working environment for colleagues that nurtures innovation and provides the resources to facilitate this.



## Responsibility for our communities



- As a socially responsible company, we are an active and positive participant in local matters in the communities in which we operate.
- A risk to RWS is the future availability of linguists. We have taken steps to encourage young people to study languages and consider a career in the language profession. In this way we contribute to the growth and development of tomorrow's translators.
- Our corporate sponsorship is in line with the Group's Charitable Giving, Sponsorship and Collections Policy and is aimed towards promoting the learning of languages by young people from non-privileged backgrounds.

- Our philanthropic initiatives are driven by the Trustees of The RWS Foundation, an independent charity.
- We focus our business through a client-oriented strategy based on close communication, enabling us to understand and foresee our clients' needs and fulfil their expectations, supported by our network of suppliers.
- We enable a better, healthier, more connected society as language can play a critical element in helping our clients find life-saving drugs and equipment as well as communicate with their clients.



## Responsibility for strong governance



- RWS complies with the QCA Corporate Governance Code and has established a set of corporate rules, policies and processes that define our current governance model and ensure our long-term vision is seen through the lens of excellent governance.
- We have a Group-wide Code of Conduct with associated mandatory training which reinforces our values and commitment to ethical and responsible behaviour. Our commitment to business ethics is managed by the Board through the CEO and the General Counsel and Company Secretary to ensure ethical behaviour is integrated across all our teams and geographies through our Code of Conduct and associated policies, which are available on the Group's intranet.
- We ensure disclosure and promote observance of our Code of Conduct across all divisions, business units, suppliers and contractors.

- RWS has a zero tolerance against corruption policy, and therefore, we require suppliers and partners to observe professional and honest business practices. (Aligned to the UK's Bribery Act 2010).
- We maintain our reputation as a trusted business partner through continual improvement of our services and business management through ethics, innovation, safety and environmentally sympathetic conduct, and the implementation of high-quality procedures across all teams and geographies.
- We develop our own investor relations strategy that aims to ensure compliance with legal and market practice responsibilities.
- We maintain clear communication channels with stakeholders and potential stakeholders to provide quick and effective responses to their requirements.

# Environment



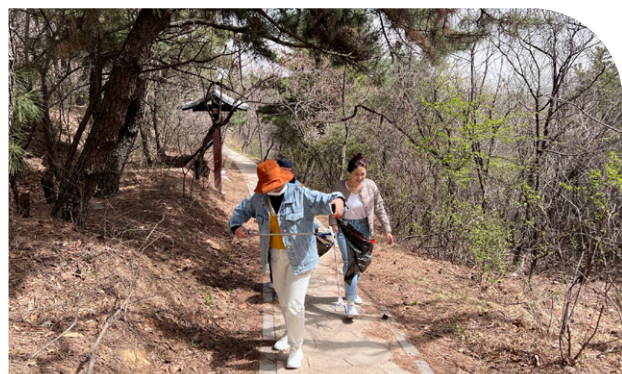
*Climate change is expected to worsen the frequency, intensity and impacts of extreme weather events. Without action we will see detrimental changes to the world we live in.*

*In October 2023, the BBC reported that on about a third of days in 2023 the average global temperature was at least 1.5C higher than pre-industrial levels. This warming rate has scientists concerned as staying below that marker long-term is widely considered crucial to avoid the most damaging impacts of climate change. Currently 2023 is 'on track' to be the hottest year on record, and 2024 could be even hotter<sup>1</sup>.*

When political leaders gathered in Paris in December 2015, they signed an agreement, the 'Paris Agreement' to keep the long-term rise in global temperatures this century 'well below' 2C and to make every effort to keep it under 1.5C. The agreed limits refer to the difference between global average temperatures now and what they were in the pre-industrial period, between 1850 and 1900, before the widespread use of fossil fuels. Breaching these Paris thresholds does not mean going over them for a day or a week but instead involves going beyond this limit across a 20- or 30-year average. This long-term average warming figure currently sits at around 1.1C to 1.2C. But the more often 1.5C is breached for individual days, the closer the world gets to breaching this mark in the longer term.

RWS and its colleagues are committed to helping prevent the impact of global climate change by transitioning to carbon net zero.

<sup>1</sup> <https://www.bbc.co.uk/news/science-environment-66857354>







We hold ourselves to high accountability standards. As a result, in 2022 we signed up to the United Nation's Race to Zero and officially committed to set science-based targets to be carbon net zero through the Science Based Targets initiative (SBTi). We also improved the accuracy of our footprint by improving our data collection and greenhouse gas (GHG) emissions to include both our operations and supply chain, and committed to setting carbon reduction targets which are aligned with the SBTi. The new targets were submitted to the SBTi in December for validation and will be published once validated.

In 2021, we became a signatory to the Task Force on Climate-related Financial Disclosures (TCFD) and have adopted its framework. As part of our strategy in FY23 we reassessed three different climate scenarios using Representative Concentration Pathways (RCP) - RCP 1.9, RCP 2.6 and RCP 8.5. RCPs are used by the Intergovernmental Panel on Climate Change (IPCC) to illustrate future concentrations of greenhouse gases in the atmosphere. (See pages 74 to 86 for further information).

We are committed to reviewing and improving the environmental aspects and impacts of our operations by preventing pollution, protecting the environment and enhancing positive impacts wherever we can. These actions improve the environment as well as RWS being an attractive place to work which supports the mitigation strategy of one of our key risks, namely attracting and retaining good quality people.

To demonstrate how important climate change and the environment is to RWS, the CEO retains overall responsibility for all relevant climate-related and environmental matters whilst the General Counsel and Company Secretary has overall responsibility for the Group's risk management programme. For climate-related risks they are assisted by the Executive Team, the Head of Sustainability and ESG, and additional top management.

The Group categorises risks according to the likelihood of occurrence and the potential impact on the Group. Impact is assessed on both financial and reputational grounds. Financial impact in the period could be increased costs, reduced revenue, fines or increased management time required to deliver a given activity. The Board has direct oversight of climate-related issues as part of the risk review process and it agrees our position and commitments on climate change.

We have ISO 14001:2015 Environmental Management certification at our head office in Chalfont St Peter (UK), our Maidenhead office (UK) and our Chinese offices in Beijing, Rizhao and Xi'an. Our Environmental Management System certifications collectively cover 62% of our offices by FTE - our aim is to continue to increase this compliance to over 90% of our sites by the end of FY30.

During FY23 we have achieved the following:

- Improved disclosure of climate-related risk and opportunities through reporting processes in alignment with the TCFD (see pages 74 to 86)
- Office relocations: relocated our Indore office (India) to a new green building - the new building has a sewage water treatment facility for recycling water for use in the toilets and gardening, solar panels lighting up common areas, and a plantation in the open area. The office also benefits from ample daylight, energy-efficient LEDs, and smart sensors for lights in toilets. Moved our Rosario office (Argentina) and refurbished it using sustainable practices which had been used previously - the team reused the majority of the previous infrastructure. Materials which could not be reused, for example, aluminum profiles from dismantled partitions or worn-out carpeting that didn't fit the new layout, was donated as materials to be repurposed
- RWS currently has 33 leased company vehicles of which 13 are electric/hybrid. As part of our carbon reduction plan and in line with our new policy, as leases come up for renewal vehicles are switched to EV
- Ran environmental awareness programmes to promote initiatives and actively encouraged colleagues to get involved. These included Earth Day, Earth Hour, World Environment Day, World Ocean Day, World Rivers Day, Water Day, National Recycling Week, Be Vegan, International Day of Biodiversity, Forest Day, Seed Giveaway Day, and World Cleanup Day
- Organised local events at offices to raise awareness e.g. Alnwick (UK), Brno (Czechia), Paris (France), and Rosario (Argentina), held 'bike to work' initiatives
- Published monthly articles on environmental topics and issues in the Group-wide newsletter
- Green Agenda intranet and channel on Viva Engage where articles and initiatives are posted
- Arranged and published a World Earth Day interview with CEO, Ian El-Mokadem, where he shared his insights and thoughts on environmental preservation and sustainability, including his personal commitments and the importance on instilling eco-friendly values in future generations
- Hosted an online presentation with 'Sailors for Sustainability', two Dutch sailors Floris van Hees and Ivar Smits, who have been on a nautical voyage of sustainability discovery around the world since 2016. In their seven years to date, Floris and Ivar have visited 29 countries and documented, in articles and videos, 60 solutions to sustainability challenges facing our planet and specific societies. Their purpose is to inspire with positive examples, but also to call upon people, companies, and governments to apply the solutions they document



## Environment (continued)

- Ran a ESG competition for the 'Green Office of the Year' and 'Biodiversity Project of the Year' to help champion change and increase awareness of green offices and biodiversity. Our Alnwick office (UK), for example, is utilising the office gardens to grow potatoes and strawberries, as well as built a pond and established a bee habitat (see ESG competition 'Biodiversity Project of the Year')
- Invited colleagues to participate in a 'Rivers Picture Contest 2023' where they submitted beautiful photos of rivers and streams and colleagues voted for their favourite ones (see outside front cover and back cover)
- Increased engagement with our global network of environmental champions
- Selected corporate merchandise which is sustainable. For example, our Rosario office (Argentina) sourced a gift box made out of fibre board which can be reused for other purposes. Inside, along with other merchandise, recipients received a cellphone holder made from the same material. This material is considered to be eco-friendly since it is manufactured from a combination of real wood and recyclable products
- Increased awareness of corporate sustainability strategy and initiatives by meeting and presenting to teams

We are committed to:

- The reduction of our Group-wide carbon emissions
- The ongoing improvement of our environmental management systems globally
- Complying with the spirit as well as the letter of all applicable environmental legislation, approved codes of practice and any other requirements not codified by law to which we subscribe
- Cooperating fully and maintaining positive relationships with all regulatory authorities
- Supporting the environmental goals of the Group's clients





## ENERGY AND GREENHOUSE GAS REPORT

As part of the Streamlined Energy and Carbon Reporting (SECR) requirement, RWS is required to report its energy and GHG emissions within its Directors' Report.

As mentioned previously, during FY22 we improved the accuracy of our footprint by improving our data collection and GHG emissions to include both our operations and supply chain, and committed to setting carbon reduction targets which are aligned with SBTi.

As part of the development of our science-based targets, and as a result of switching to an enhanced software platform, we decided to recalculate our FY22 footprint to ensure consistency in measurement and methodology. This resulted in a more accurate carbon footprint for FY22 which is detailed below.

### Methodology

Emissions were calculated following the GHG Reporting Protocol (Corporate Standard) using the Watershed platform. Energy usage data was collected or estimated based on building square-footage for all facilities, and was combined with emissions factors from the US Environmental Protection Agency (EPA), Ecoinvent, Technical Compliance Rate (TCR) and other data sources to calculate GHG emissions. Electricity emissions factors are chosen based on geography to reflect the emissions intensities of the facilities' local grid.

GHG Scope	tCO <sub>2</sub> e (FY22 recalculated)
Scope 1	549
Scope 2	4,165
Scope 3	33,967
<b>Total</b>	<b>38,681</b>

All numbers are location-based.

Some of the key changes include:

#### Scope 1:

- Updated footprint to include comprehensive information on building fuel usage in the previous footprint, and added months of fuel data missing for certain offices

#### Scope 2:

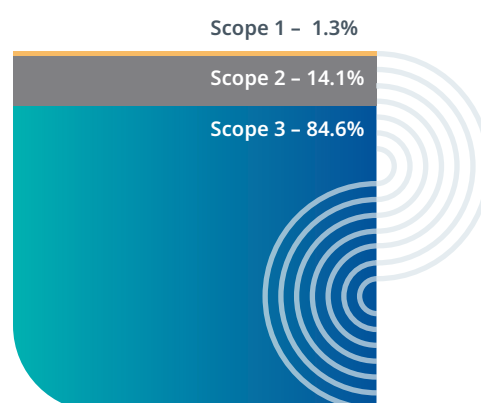
- Watershed used more representative emissions factors for district heat and supported with more transparency in reporting

#### Scope 3:

- Purchased goods and services – enhanced reporting enabled us to split localisation agencies and freelancers and use more appropriate emission factors (agencies' emission factor – 0.0840782073 kgCO<sub>2</sub>e / USD and now coded freelancers as 'Independent artists, writers, and performers' using emission factor 0.0142133408 kgCO<sub>2</sub>e / USD)
- Cloud emissions – Watershed's usage of vendor-specific emissions factors enabled more accurate measurements
- IT services and equipment – transparent reporting enabled more accurate use of EEIO emissions factors

Our carbon emissions for FY23 are as follows:

Overall FY23 carbon emissions (tCO <sub>2</sub> e)	
Scope 1	488
Scope 2 (location-based)	5,147
Scope 2 (market-based)	4,634
Scope 3 (location-based)	30,851
Scope 3 (market-based)	30,824
<b>Total (location-based)</b>	<b>36,486</b>
<b>Total (market-based)</b>	<b>35,946</b>



A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-averaged emission factor data). A market-based method reflects emissions from electricity that companies have purposely chosen.

## Environment (continued)

### ANNUAL ENERGY USE AND EMISSIONS

Our annual global energy use (in kWh) and associated greenhouse gas emissions (tCO<sub>2</sub>e) have been summarised in the table. As mentioned previously, we have expanded and enhanced our carbon emissions data collection methodology in FY22 which resulted in a significant

increase in our reported Scope 3 emissions when compared with the previous year (FY21). These now account for circa 86% of our overall carbon footprint and will be used to develop our carbon reduction strategy going forward.

#### Energy usage and greenhouse gas emissions

	FY22			FY23		
	UK and offshore	Global (excluding UK and offshore)	Total	UK and offshore	Global (excluding UK and offshore)	Total
<b>kWh</b>						
Energy consumption used to calculate emissions (see Scope 1 & 2 categories below)	1,269,372	11,935,081	<b>13,204,453</b>	1,437,508	13,732,901	<b>15,170,409</b>
<b>tCO<sub>2</sub>e</b>						
Emissions from sources which are owned or controlled by the company including combustion of fuel for transport & operation of facilities (Scope 1)	44.0	505.3	<b>549.3</b>	44.2	444.1	<b>488.3</b>
Emissions from purchased electricity, heat, steam, and cooling (Scope 2)	205.3	3,959.6	<b>4,164.9</b>	272.8	4,873.8	<b>5,146.6</b>
<b>Total gross tCO<sub>2</sub>e based on above fields</b>	<b>249.3</b>	<b>4,464.9</b>	<b>4,714.2</b>	<b>317.0</b>	<b>5,317.9</b>	<b>5,634.9</b>

These numbers are location-based and include: electricity, natural gas, diesel, heat and steam, refrigerants and company car fuel consumption from Scope 1 + 2.

### INTENSITY RATIOS

RWS uses the intensity ratios of full-time equivalent (FTE). The FTE in FY23 was 7,910 (FY22: 7,920<sup>2</sup>). This provides another way of assessing our carbon performance taking into consideration key variables that affect our overall carbon footprint.

Global intensity ratio	FY22	FY23
<b>Gross tCO<sub>2</sub>e per FTE</b>		
Scope 1	0.07	0.06
Scope 2	0.53	0.65
Scope 3*	4.29	3.90
<b>Gross tCO<sub>2</sub>e per £ million of revenue</b>		
Scope 1	0.73	0.67
Scope 2	5.56	7.01
Scope 3*	45.34	42.04

All numbers are location-based.

\* Our Scope 3 emissions methodology was enhanced in FY22 and we were able to report on more Scope 3 categories than in previous years. This fully supports our commitment to set science-based targets. Scope 3 emissions previously covered two categories including waste and business travel. This has now been expanded to seven categories which includes purchased goods and services, capital goods, fuel and energy related activities, waste generated in operations, business travel, employee commuting and home office, and upstream leased assets.



<sup>2</sup> Full Time Equivalent figure restated



Our Scope 1, 2 and 3 FTE intensity performance shows a collective improvement of circa 5.6% when compared with the previous year. Our Scope 1,2 and 3 revenue intensity performance shows a circa 3.7% improvement per £m.

	FY22	FY23
<b>GHG scope: Scope 1</b>	<b>549</b>	<b>488</b>
GHG category: 1 direct emissions	549	488
<b>GHG scope: Scope 2</b>	<b>4,165</b>	<b>5,147</b>
GHG category: 2 purchased electricity, steam, heat, and cooling	4,165	5,147
<b>GHG scope: Scope 3</b>	<b>33,967</b>	<b>30,851</b>
GHG category: 3.1 purchased goods and services	22,295	18,403
GHG category: 3.2 capital goods	241	341
GHG category: 3.3 fuel and energy related activities	1,798	2,087
GHG category: 3.5 waste generated in operations	136	282
GHG category: 3.6 business travel	989	3,234
GHG category: 3.7 employee commuting	8,508	6,503
GHG category 8: Upstream leased assets		0.6
<b>Total</b>	<b>38,681</b>	<b>36,486</b>

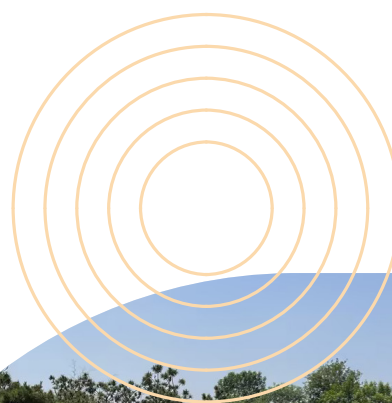
All numbers are location-based.

## MANAGING ENERGY USE

We recognise the importance of investing in energy efficient offices and renewable energy. In FY23, the Group took several measures to reduce energy use and emissions. These included:

- Currently we have 100% renewable energy at eight of our offices (Alnwick, UK; Amsterdam, Netherlands; Brno, Czechia; Chalfont St Peter, UK; Cluj-Napoca, Romania; Santiago, Chile; Sao Paulo, Brazil; and Stuttgart, Germany). Electricity that comes from clean energy sources is 13.8%. We reduced 12% of our electricity-related emissions by purchasing clean energy
- Ensuring energy usage is being reported promptly and accurately
- Setting timers relative to weather conditions and office opening hours – increased awareness through engagement with colleagues and cleaning companies to ensure energy was being used only when necessary
- Implementing various energy efficiency actions such as: a 'closed-door' policy to avoid unnecessary energy consumption for heating/cooling; and a 'switch off at night' policy

With many of our initiatives, we recognise that what is good for the environment is also good for business. Energy savings, for example, reduce our emissions output while cutting costs.





## Environment (continued)

### MINIMISING WASTE

Being a service-based company, our waste generation is naturally low and non-hazardous. However, we continue to engage colleagues, suppliers and other stakeholders to take ownership and create more efficient operations and practices.

In FY23, the Group took several measures to reduce waste. These included:

- Whilst rolling out of the environmental compliance programme, we ensure the RWS Group Waste Policy is implemented appropriately to optimise recycling
- The introduction of the new Group-wide Waste Policy improved waste collection methodology, e.g. separating aluminum and biowaste in Brno (Czechia), enabled the office to collect approx. 50kg of aluminum which they could sell-back and separate biowaste which is now repurposed and used for heating. In Cluj-Napoca (Romania), for example, plastic caps are being 'resold' and the funds donated to charity, and coffee grounds are collected for colleagues to use as fertilizer
- Working with landlords regarding waste measurement and management
- Working with suppliers to get more accurate reports detailing waste and recycling
- Sending our electronic equipment back to the supplier to recycle as part of a global buy-back scheme
- Storing and reusing bubble wrap and cardboard boxes
- Championing recycling during our 'Recycling Week'
- Hosted a World Cleanup Day to further educate, inform and engage colleagues around waste

Where our offices are in managed buildings, we are working with landlords to derive better data on waste and then implement programmes to reduce, reuse and recycle.

### WATER

Most of our offices use water from municipal supply and are in developed countries with a high capability for water adaptation and mitigation.

Moving forward we continue to reach out to the landlords of our leased offices and request detailed information. We are also introducing measures to reduce water usage including low flow plumbing fixtures, identifying and fixing leaks, and communicating with employees about responsible water use measures.

In FY23 we hosted an awareness day for World Ocean Day to educate, inform and engage colleagues as well as a World Rivers Day competition to raise awareness of the importance of our rivers around the world and encourage increased stewardship. More than 180 entries were received and colleagues globally participated in judging the winners.

### PAPER

We have embraced agile working which enables digitalised process and resulted in a reduction in the amount of paper we use. As part of our Green Office Policy, we purchase paper which is sustainably sourced from known and responsible sources and we print double-sided where possible.

### ELECTRONIC WASTE

RWS seeks to purchase the most energy efficient IT hardware and work with global suppliers who are committed to reducing their global footprint.

We purchase our end use computers from a supply base which utilise carbon fibre and tree-based bio plastics. Our supply base has been an Energy Star partner for over a decade, demonstrating its ongoing commitment to energy efficiency in its products. Energy star certified laptops use 25-40% less energy than conventional monitors by using the most efficient components and better managing energy use when idle. We also operate a buy-back scheme with our supply base to further enhance reuse and certified Waste Electrical and Electronic Equipment (WEEE) recycling as part of our disposal policy.

We encourage our colleagues globally to switch off laptops and monitors when not in use and have configurations in place for inactivity to reduce energy consumption. Our strategy incorporates consolidation to reduce overall footprint of hardware and software across our IT estate.

### BUSINESS TRAVEL

As conditions return to the new 'normal' post the Covid-19 pandemic, business travel and commuting have increased. The Group continues to utilise software to hold virtual meetings and these are promoted as a way to curtail unnecessary business travel.





## ESG GROUP-WIDE COMPETITION

*In FY23 we ran a Group-wide competition to increase awareness around green offices and biodiversity. We were delighted with the response and received a number of entries for both categories.*

To ensure objectivity, we enlisted the support of two external judges:

- Bjoern Alberternst, an EHS/HSE Professional who has worked as a consultant for Amazon, Xylem Water Systems, Cemex Group, Tönnies Group and is currently Head of WHS with the University of Münster, Germany. He has consulted organic farms on sustainability initiatives and biodiversity through the establishment of small ponds and usable woodlands. Bjoern holds a postgraduate diploma in Sustainable Business from the University of Cambridge (UK)
- Emily Jackson, SVP Sustainability at The Economist Group, who leads the Group's environmental sustainability strategy. Emily holds a postgraduate certificate in Sustainable Business in value chains from the University of Cambridge (UK)

The following criteria were used to judge the entries:

- Quality of entry
- Level of ambition
- Complexity of project
- Level of implementation
- Metrics
- Company benefits (contribution to sustainability strategy)
- Community benefits (wider impact beyond the company on people and planet)

It was a challenge for the judges to shortlist the entries however, after much discussion, it was agreed to expand the categories from two to three, including an additional category for an individual entry.

The winners of the categories are as follows:

- 2023 Biodiversity Project: Office of the Year: Alnwick (UK)
- 2023 Green Office of the Year: Cluj-Napoca (Romania)
- 2023 Biodiversity Project: Individual of the Year: Jasvinder Gill, Indore (India)





## Environment (continued)

### 2023 Biodiversity Project: Office of the Year: Alnwick (UK)

Having established a vegetable garden last year, this year the team in Alnwick decided to embark on building a wildlife pond and introduce bees.

Each month the team organises a get-together when some of the work from home colleagues come into the office for the day. They all get together after work, take part in activities as well as have a catch-up.

The team researched how to create a pond and followed instructions from a leaflet called 'Big or Small, ponds for all' produced by [wildaboutgardens.org.uk](http://wildaboutgardens.org.uk) in collaboration with the Wildlife Trusts and the RHS. They put together an estimate of costs which were approved by their site leader.

The pond will attract wildlife by creating a habitat for creatures such as frogs and newts and the bees will help pollinate our vegetables as well as the plants in the local area.

As well as improving the biodiversity of the Alnwick site, working on the pond, watching the bees and the birds, and working on the raised beds are all activities which promoted the well-being of the team.

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*The judges were impressed the team tackled building a pond (which are incredibly rich in biodiversity and hold a disproportionately high level of species richness, and often more biodiversity than larger ecosystems such as rivers and lakes) as well as introducing the bees, which will be of benefit to local beekeepers and people in the surrounding area alike. Multiple ideas were introduced into practice at relatively low cost.*

*The judges noted the benefits of introducing biodiversity to an industrial park is a great idea and it looked as if the team had a great time tackling new projects and learning new things.*

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## 2023 Green Office of the Year: Cluj-Napoca (Romania)

The office in Cluj-Napoca is an important technology hub of RWS with 300+ people performing software development, technical support, project management, translations, sales, and marketing activities. Having responsibilities on so many operations, there are a variety of people with many and diverse skillsets, but some common characteristics found in most of their colleagues are they care about the community and the environment where they live.

For years, one of the main concerns of the company's management was that our office, located in a class A building, become compliant with ISO 14001 requirements and that led them to a continuous programme of initiatives to make it happen.

Over the years, our colleagues, driven by their beliefs, got involved and engaged in volunteering activities to protect biodiversity and the environment such as: setting up a garden for a kindergarten, building nest boxes for birds, planting trees, or restoring a mountain refuge in the highest mountains in the country.

Their activities to date include:

- Earth Day (22 April) – 10 colleagues each planted 25 Oak samplings in an area near Cluj-Napoca called Campenesti
- World Environment Day (5 June) – four colleagues visited a school in Cluj-Napoca and together with Nature Talks representatives taught the children via interactive games and presentations how to recycle, respect the nature, and how to be actively involved in this. Nature Talks is a non-governmental organisation (NGO) which focuses on raising awareness on environmental matters. RWS Cluj-Napoca became partner to one of their programmes that aims to bring environmental education to schools across the country. The team also celebrated World Environment Day by hosting a meeting with our friends from Nature Talks on the recycling topic and introduced to our colleagues a new project with 'Capace cu Suflet' organisation.
- Capace cu Suflet (plastic caps with a soul) – a newly launched campaign where the team collect plastic caps which are then collected by the Capace cu Suflet organisation. These are then 'converted' into money and donated to different humanitarian projects chosen by the team in Cluj-Napoca.
- Eco practices at the office – colleagues know when to turn off the lights, and be responsible for the water consumption, but they are also making sure to remind everyone to do so. They have friendly signs to remind them to turn the lights off, and the water taps. They collect and recycle used batteries, printer cartridges, paper, plastic, and glass. There is a green corner in the office where colleagues can bring different plants, and there has been also included a little garden with micro plants which can be used by those interested to add something extra to their meal. Moreover, the coffee grounds from the office coffee consumption are being collected and distributed to the colleagues who have gardens and use them as fertilizer. During this year, 173 kg of coffee grounds have already been collected.

*The judges noted the team in Cluj-Napoca had displayed how they care about their community and the environment in which they live and the initiatives communicated showed opportunities for impact both in local environments as well as their office, and that they are being undertaken on an ongoing basis. They said the team's initiative had great potential to grow into a holistic sustainability strategy.*





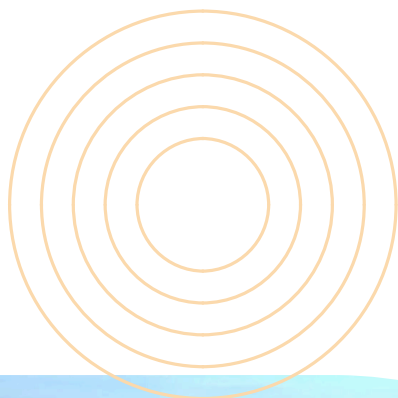
## Environment (continued)

### 2023 Biodiversity Project: Individual of the Year: Jasvinder Gill, Indore (India)

Ten years ago, having been involved as a volunteer in a 'Green Hills Group' in Pune (India), learning about tree forestation, Jasvinder returned home and decided to create his own forest.

Jasvinder used all his savings to purchase 54,000 sq ft of land which had only one tree. He is now in his fifth year and has achieved the following:

- All natural/organic process followed (least tilling, no pesticide or weed killers, no burning of bio waste or leaves). This supports micro life and enhances macro life. He is trying to increase the soil's carbon content by mulching back all bio waste generated from the land having learnt how big a carbon sink our soil can be
- Introduced 35+ varieties of trees (fruiting trees for birds and squirrels, flowering species for bees and small birds etc.) to support various life forms
- A variety of snakes, foxes, mongoose, rodents, birds, squirrels, and peacocks have already adopted this land as their homes
- Planted over 350 tree and many climbers and shrubs




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*The judges were very impressed with the personal level of ambition and noted a great level of thought had gone into the impact and benefits of this initiative. The judges noted it was an exceptional project offering many benefits. In particular, forests offer the opportunity to develop into closed ecosystems that have a sustainable impact on their environment – temperature development, biodiversity, soil conservation and a place of retreat for people. The judges were overwhelmed by what Jasvinder had achieved to date.*

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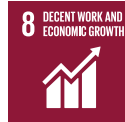
The winning entries were given the opportunity to select projects that aim to prevent gases with high greenhouse potency to be emitted into the atmosphere. The three projects selected were:

- **Reforestation**, Uganda – reforestation is an effective strategy for climate change mitigation
  - ~ Reforestation / forest restoration is one of the top nature-based pathways for cost-effective mitigation potential
  - ~ While the number of reforestation projects worldwide is increasing, project quality varies significantly, and some practices actually cause more harm than good
    - Commonly planted fast-growing species such as *Eucalyptus* are lucrative for timber products, but blamed for depleting water and worsening wildfires
    - Researchers from UCL and University of Edinburgh found 45% of national commitments toward reforestation / restoration involved 'planting vast monocultures of trees as profitable enterprises'
    - Afforestation (reforestation where trees were not present before) can drain streams and warm the earth locally by planting darker trees over lighter grasslands
- **Biochar**, Romania – by pyrolysing biomass into biochar, CO<sub>2</sub> is trapped in its solid form, creating a carbon-negative cycle
  - ~ Biochar is highly porous, and its highly absorptive capacity and large surface area has many soil benefits including:
    - Absorbing harmful pollutants from the soil
    - Reducing nutrient leachate
    - Increasing soil retention of nutrients
    - Increasing soil water-holding capability
    - Altering the physical nature of soil (e.g. permeability) to reduce the risk of drought
- **Enhanced rock weathering programme**, UK – enhanced rock weathering accelerates the Earth's natural cycle of pulverising rock for permanent carbon dioxide removal (CDR)
  - ~ Silicate rocks are crushed, transported to degraded agricultural lands or minefields, and spread over the field (similar to fertilizers)
  - ~ When exposed to moisture and acidity, the rock powder reacts with CO<sub>2</sub> in the air and is converted into bicarbonate ions. These minerals further fertilize soil, improving soil health and crop yields

# Social



## Our People



*To compete effectively in our markets, it is critical that RWS is well-positioned to attract, recruit and retain the best people. Our activities are highly reliant on the skills, dedication and passion of all of our colleagues and freelancers around the world, who we rely on to meet our clients' demands for excellent quality, timely delivery and effective service and product solutions. We aim to be a destination employer in every one of our key operating territories and markets, and we remain committed to this ambition.*

Ongoing geopolitical and macroeconomic pressures meant that FY23 was another challenging year for RWS colleagues, and we remain constantly impressed by and grateful for the resourcefulness and resilience of our teams around the world.

The conflict in Ukraine continued to provide ongoing challenges during the year, particularly as we still employ colleagues in both Russia and Ukraine. The frameworks and capabilities we developed to support our people's physical and mental health during the pandemic, including our global Employee Assistance Programme and our managers' skills of sensitivity and adaptability, also continue to be helpful in this ongoing situation.

Despite these various challenges, FY23 has seen ongoing progress with regard to the important consolidation of our key people platforms, processes and initiatives as the Group comes together as One RWS. We now operate a single global HR organisation that is highly responsive at a divisional and local level, and supported by specialist HR teams at Group level. Together, this team, partnering with managers and colleagues, has delivered a number of successful Group-wide programmes during FY23.





## COMMUNICATION AND DIRECTION SETTING

Communication and dialogue are vital within RWS. It includes all types of communication and consultation between RWS colleagues on all manner of topics including business direction and performance, operational matters, social issues, environmental concerns, well-being and various other areas of common interest.

### Connecting colleagues with our strategy, purpose and values

Last year we developed a new strategy, purpose and values for the Group and launched them to our stakeholders. This year, with travel becoming much easier, we incorporated more in-person senior leader-led town halls into our communication mix, and refined our messaging around strategy to make it both simpler and directly connected to the specific work of our frontline colleagues around the world.

In June we again brought our Senior Leadership Team (SLT) together in the UK to remind ourselves of our organisational purpose and values, and to review and assess progress on our medium-term strategy. This ensures we align our most senior team with our organisational goals before bringing everything to life throughout the business under this group's combined leadership.

**Our purpose is 'unlocking global understanding' and our values are:**

<p><b>WE PARTNER</b></p> 	<p><b>WE PIONEER</b></p> 
<p><b>WE PROGRESS</b></p> 	<p><b>WE DELIVER</b></p> 

In a challenging macroeconomic environment, clear focus is more important than ever and the business has adopted the acronym 'EDGE' to ensure that all colleagues are clear about the Group's current priorities; EDGE stands for efficient delivery, growth and engagement. Our cadence of communications provides context, rationale and examples that bring each of these three components to life, from our CEO-led communications and our monthly company newsletter, to updates about our transformation programmes and the regular town halls that take place across divisions and functions.

Responding to feedback from the 2022 engagement survey, we increased the frequency of our all-colleague virtual town halls, hosted by the CEO and CFO, from twice a year to quarterly. This has been well received in dynamic economic circumstances.

In September we introduced a powerful new Microsoft Teams' community for all people leaders in the business. Our middle-manager group expressed a desire to be more pro-actively involved and informed of important organisational developments in order that they might be better equipped to play a more active role in explaining and supporting the delivery of these messages and changes as they are rolled out. This people leaders Microsoft Teams' group will be a key channel for involving them.

To help drive adoption of our values, this year we launched our 'Ambassador Awards' which is our first all-colleague Recognition and Award Programme. Twice a year each of our divisions and Group functions, choose one colleague or team as their best exemplar of each of the four values. These 24 half-year winners receive a financial award and their stories are published and promoted internally to recognise their exceptional contribution and inspire great work generally in the next period. These half-yearly awards roll up to an Annual RWS Award ceremony at the end of the year where the best of the in-year award winners for each of the four values are recognised directly by the CEO for their efforts with a grand prize. This programme has proved very popular and we had more than 750 entries over the course of the year.

During the year we also had two good opportunities to introduce better communication technology across the Group – in January we implemented project 'Highlander' which moved all colleagues around the world onto a single instance of Microsoft Teams and one single instance of Microsoft Viva Engage (formerly Yammer). This has enabled colleagues to collaborate with one another much more efficiently, and provides demonstrable practical evidence of our commitment to our 'Partnership' value.

We are also now fully ramping up communications in support of our Project Unify which moves our technology stack a significant step forward with the progressive implementation of new enterprise technology for Finance and HR during FY24, again on the Microsoft platform.



## Social (continued)

On a slightly smaller scale, but critical to successful growth, we developed a world-class repeatable communication model for all future acquisitions and implemented it successfully for the first time with our acquisition of Propylon. This involved a full internal communications campaign to welcome and culturally integrate the c100 new colleagues based in Ireland and the US who joined RWS with this business.

### 2024 goals:

- Continue to build alignment around our overriding priorities – efficient delivery, growth and engagement, i.e. EDGE
- Support the implementation of Project Unify
- Introduce the HubSpot tool as a means of directly measuring internal communication engagement throughout the business

### Engagement survey

**6,457**  
respondents

**84%**  
response rate

## COLLEAGUE ENGAGEMENT

Colleague engagement is critical to our sustained success as an organisation. Research shows that the more engaged colleagues are the more they provide their discretionary effort in favour of the business and all its stakeholders willingly, advocate products and services more, and stay with the business for longer.

To support engagement efforts, we encourage RWS colleagues around the world to get involved with a broad range of socially beneficial activities as this builds our brand in a positive and responsible way and improves teamwork, communication and camaraderie whilst helping our people develop important organisational and management skills.

### Measuring engagement

Last year we again partnered with external employee engagement experts Qualtrics to undertake our annual Group-wide engagement survey, and together with our implementation partner Feedback Works, we deployed a world-class external survey tool. As well as providing more precise colleague engagement data, the survey allows us to benchmark our results externally.

The survey examined our people's opinions by asking approximately 50 questions, clustered into 14 categories, along with the opportunity to provide additional verbatim commentary where colleagues wished to provide more detail. In combination, this feedback provided us with a comprehensive picture of our colleagues' experience of working at RWS.

In response to last year's survey we set up a Group-wide engagement plan that took colleague feedback, examined it in the context of our strategic priorities, and then focused actions in three specific action streams. These were:

- Strategy and communications
- Pay, benefits and job architecture
- Collaboration

Each action area was sponsored by a member of the Executive Team and led as a specific programme by an appropriate senior leader. This central engagement plan was managed as a critical strategic programme through our Business Transformation Office (BTO). In addition, each division and function of the business was tasked with developing its own action plan, with monthly reporting to the BTO to ensure momentum is maintained across the business at all levels.

Progress against streams 1 and 2 is provided in more detail in their respective sections of this report, and with regard to collaboration we have taken a number of supporting actions during the year. Every team in the business is now on one instance of Microsoft Teams so this is now the principal platform for virtual meetings and Microsoft Viva Engage was rolled out as our single corporate chat and real-time collaboration application.





We also completed an exercise to identify and iron out a small set of instances where we found competing/ conflicting strategic goals between teams.

We achieved a global response rate of 84% and a 61% favourable employee engagement score (FY22: 69%). We fully recognise that the external challenges we experienced in FY23 have impacted our overall employee engagement score and we believe we can make positive progress in the year ahead.

In our latest survey (September FY23) our highest scoring area was Trust and Respect (83% favourable), which naturally we were pleased with, followed by ESG Factors (82%), and Role Factors (80%) which included questions about agile working and how managers remove barriers to work. Diversity was also a strong area at 72% favourable, as it was last year.

The key strengths that emerged from the survey were:

- Collaboration, trust and respect, particularly within teams. This is a core element and shows resilience in our culture
- Great relationships with line managers – people feel supported and cared for by their line managers
- Diverse culture – all colleagues feel they can be true to themselves at work
- Corporate sustainability – evidence and awareness of positive views performing above the benchmark
- Flexibility – people believe they can work in a way that works for them and many value this flexibility as a core part of the employee value proposition
- Health and safety – colleagues feel safe working in RWS offices

The survey also allowed us to test the continued effectiveness of our strategy, purpose and values communication programme as we asked specific questions relating to it, scoring 66%.

Performance & Reward (52%) is still a low scoring area and, as mentioned later in this report, we are putting in place a new Group-wide HR system and job levelling framework which has been developed over the last year and underpins our reward processes, and later in FY24 we will launch a more consistent performance and development process which will help address this dimension.

Whilst there is still work to be done, the results of our engagement survey scores give us solid data on where to focus our attention going forward.

#### FY24 goals:

- Continue Group efforts around strategy, communication and collaboration
- Implement the newly developed Pay and Job Architecture framework developed during FY24
- Evolve our Group-wide action plan in response to FY23 survey feedback

## REWARD AND RECOGNITION

One of our lower scoring engagement areas in last year's survey was Performance & Reward (52%) and for FY23 we committed to developing a clear global job architecture and banding framework as it forms the foundation for many of our core people processes, including performance, reward and career development as well as enabling the implementation of our HR Information System (HRIS) across the Group.

This framework, developed with Willis Towers Watson, is now ready for global implementation early in FY24. It will enable good external pay benchmarking and more accurate levelling of roles across divisions and geographies.

In line with our One RWS reward philosophy, over time we intend to move towards a more consistent bonus plan design from the various legacy bonus schemes that have been in place across the Group. This will include both individual and Group performance targets where relevant, and this transition is underway from the start of FY24.

As part of our Group integration plan, this year we also began the process of consolidating all colleague benefits country by country. Our long-term objective is to have all colleagues in a country on the same benefits arrangement as one another where possible. The US was first to be actioned and is now close to completion, and further work to identify opportunities in other countries will be undertaken in FY24.

We were also pleased to introduce our All-Electric company car policy for our small fleet of 33 company provided vehicles. From December 2024 all car lease renewals will be full-electric vehicles only.

#### FY24 goals:

- Implement our new RWS job family architecture
- Build on the early success of the Ambassador Awards
- Progress our benefits harmonisation project

## Social (continued)

### DIVERSITY, EQUITY AND INCLUSION

Being part of a vibrant, globally diverse community, we know that tremendous value is gained from people's differences. An inclusive and inviting culture that recognises and celebrates diversity enables people to reach their maximum potential and be their best. This is fundamental to RWS, and critical to our success.

Research has shown that when colleagues experience a diverse, welcoming company it is a key driver of organisational outperformance. When companies invite every colleague into the innovation process, they generate more high-quality ideas, implement better and faster, beat sales targets and outperform their competition.

Given the unquestionable impact diversity, equity and inclusion has on people, the business and society at large, we place significant focus on specific pillars of activity based on the Group's Diversity, Equity and Inclusion Policy. Each pillar of activity has its own Employee Resource Group (ERG) to provide feedback into the Group diversity, equity and inclusion plans, and guide initiatives that are bespoke to their pillar. Each ERG has an Executive Team member as a sponsor and an HR leader, and a dedicated learning and development team member supporting it to ensure appropriate organisational prioritisation and influence. Health and well-being is a separate ERG with its own programme supporting all colleagues as well as the DEI initiatives.

Our ERGs are:

- Culture
- Ethnicity
- LGBTQ+
- Persons with disabilities
- Women at RWS

The purpose of these groups is to identify strategies for meeting the collective interests identified by each group, thereby driving engagement and increasing the representation, voice, contribution and influence of that group over time.

In terms of communication and education, each group has planned slots for raising awareness and promoting more than 25 globally recognised awareness events over the course of the year on the RWS Hub, for example; Gay PRIDE, Diwali, Breast cancer awareness month, Native American Heritage month, and World Dyslexia Awareness day. Each ERG also has its own educational content channel on MyLX, our global learning platform.

In FY23 we extended our central efforts, launching the RWS Diversity Council whose purpose is to guide and support RWS in creating a diverse and inclusive organisation that closely reflects the societies in which we work. The primary role of the council is to connect the work of all the diversity and inclusion resource groups into a broader business-driven results-oriented strategy.



To bring all DEI activities together better, we also introduced the RWS Diversity Festival for the first time in May 2023. This comprised two weeks of events promoting the benefits of inclusion to the organisation and driving specific inclusion education and training to interested groups. We were pleased that more than 270 colleagues attended live events during the festival and more than 800 viewed the highlights afterwards.

We are particularly pleased with our new Language PAL programme which encourages colleagues to reach out for help and support from co-workers with good experience of the topic or skill they are developing. New language practice has been particularly popular with colleagues and this year we had 170 matches where colleagues connected with a native speaking co-worker to practice their new chosen language. This comes with the additional benefit of grass-roots cultural education and connection within the organisation which is particularly helpful given the nature of what we do as a business.

In a similar vein, we are developing a 'find your people' theme across the business, intended to activate small self-sustaining interest groups where colleagues see value in coming together to support one another around that common interest.

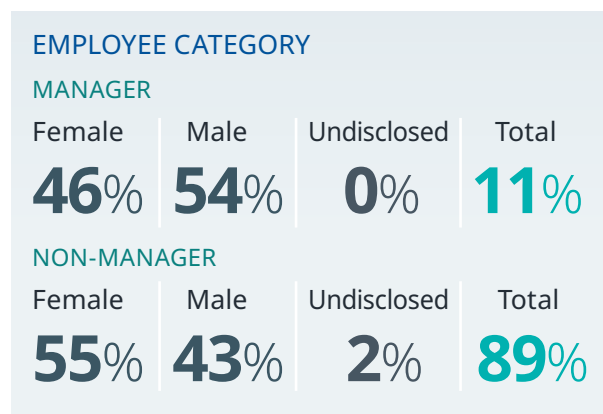
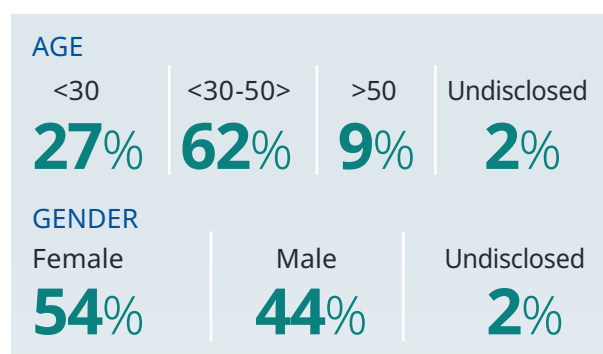
We continue our central efforts to collect accurate demographic/inclusion data across our entire workforce as this allows us to better identify any significant areas of under-representation for targeted action. Our demographics survey was promoted during the Diversity





Festival and remains a work in progress as building the full data-set around what can, in different cultures, be highly sensitive information takes time. We are making progress though, and in FY23 49% of colleagues globally completed our demographic survey (FY22: 36%).

We have also extended our inclusion efforts into work tool optimisation this year. Two notable initiatives revolve around our Trados translation tool – used by translators all around the world – which we have been developing to improve its accessibility to partially sighted users, and our Lexicon tool – which we have been reviewing to identify and moderate words which may cause offense in different cultures.



We are particularly mindful of the importance of diversity at the most senior levels in the organisation including our Board and Executive Team.

Our Board representation as at 30 September 2023 was 50/50 (Female/Male) following the appointment of Julie Southern as Non-executive Director (NED) (and Chair as of October 2023) and Candida Davies as Chief Financial Officer (CFO) on 3 October 2022.

Our mix in the Executive Team as at 30 September 2023 was 36/64 (Female/Male) with the appointment of Candida Davies as CFO, and Jane Hyde as General Counsel and Company Secretary on 3 October 2022.

We remain fully committed to addressing gender diversity over time, principally through recruitment and training initiatives aimed at bringing more women into technology-oriented roles and recruiting and/or internally developing more women into management and leadership roles – our recent Board and Executive Team appointments serving as good examples of our commitment to this principle.

Overall, we are happy with the progress we are making around diversity, equity and inclusion, and increasingly see it as a genuine source of advantage in our markets. In the engagement survey completed in September FY23, we are encouraged by the results with an 83% favourable response to the critical question 'RWS promotes a diverse culture where individuals from all backgrounds feel a sense of belonging'.

- FY24 goals:**
- Continue to develop a unified diversity, equity and inclusion strategy for the Group, guided by our Diversity Council
  - Drive the 'Find your people' initiative to promote self-sustaining grass-roots small interest group activity



The statistics above are from 'Diversity of our colleagues' which was carried out as at 30 September 2023



# Social (continued)

## TALENT ACQUISITION

### Labour market challenges

Whilst hiring volumes were down considerably on last year (reduced by 46% year-on-year for business as usual hiring activity) in part due to broader macroeconomic pressures noted earlier and reduced attrition levels in the business (17.4% (FY23) vs 21.3% (FY22)), the labour markets in several key markets still remained tight, presenting ongoing recruitment challenges.

To address these market challenges, RWS continued our successful strategy of:

- Promoting our progressive hybrid and/or remote work policy to support colleague expectations
- Focusing on internal mobility to enable colleagues to develop their careers within RWS
- Continuing to invest in tangible actions to build a culture of inclusion and belonging
- Developing a more flexible geographical hiring approach to significantly expand candidate 'reach'

Our central Talent Acquisition Centre of Excellence continues to work very efficiently with direct hiring (internal and external hires combined) through this team running at 95% and agency usage around 5%. Gender diversity remains a focus with 51% of hires being female. Referral hires continue at a good level with 15% of external hires recommended by colleagues which is slightly up on FY22. We believe that hiring directly is important to RWS from a recruitment brand standpoint, and in tandem this year we have been working to improve how we promote different business units under the RWS umbrella working on the basis that some of the business unit brands are better known, and therefore potentially more attractive, to candidates in the market than RWS on its own.

Running most recruitment through our Centre of Excellence also enables us to manage and monitor our diverse talent attraction efforts more accurately and we continue to explore new recruitment channels to help reach underrepresented groups. We have built an RWS presence on many sites directly targeting underrepresented groups, for example, Diversity Jobs, myGworks and Pink Jobs (focused on LGBTQ+ and underrepresented communities globally) and are active on multiple smaller channels targeting individuals with disabilities (DiversityJobs) as well as veterans.

In FY23 we published our RWS Candidate Charter laying out the high standards of care that every candidate can expect from us during the recruitment process, and we prepared the ground for implementing our new end-to-end candidate applicant tracking system, iCIMS, alongside our new global HRIS. iCIMS will go live at the end of 2023, delivering a more integrated candidate experience from first contact through to their onboarding once hired.

Despite hiring generally being more focused on particular skill areas we are delighted to have been able to fill 19% of our vacancies with internal candidates this year. This is the same level as last year and internal mobility remains a focus.

FY23 has been another busy year for the linguistic recruitment team in our LXD organisation with c300 closed roles. Direct hiring and internships remain key priorities, with FY23 experiencing significant success – 52% of roles were filled through direct hiring and 41% of roles filled through internships and intern conversions to permanent roles. Gender diversity has been a focus with 73% of hires being female.

Campus recruitment for linguist interns remains a focus for us and this year we are pleased to have developed relationships with 22 universities in Africa whereby RWS supports the under-graduate curriculum on their linguistic degrees, and thereby improve professional linguistic training in this emerging and increasingly important region.

Our focus in FY24 remains on diversity and increasing referral hiring activity towards 10%.

#### FY24 goals:

- Fully roll out iCIMS
- Continue to drive internal referral rates of all hires, and improve the internal appointment rate to vacancies





## TALENT ASSESSMENT AND MANAGEMENT

Maximising the potential of our colleagues is critical to our growth. We have implemented initiatives globally to help our colleagues maximise their contribution and sense of achievement, as well as develop their careers.

All our divisions run systematic performance and development review processes within their teams. These reviews provide the opportunity for colleagues to set their objectives for the year, discuss subsequent performance including any particular achievements or challenges, and consider future career opportunities with their line manager. Feedback from our engagement survey suggests these reviews serve as an effective tool for aligning individual goals with organisational goals and enabling a supportive two-way dialogue between colleagues and their manager.

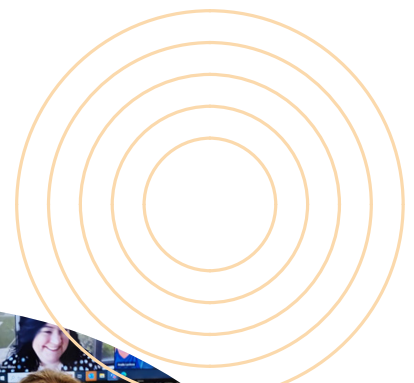
We have developed a new performance management process that will be launched in tandem with our new HR system in late FY24.

We see many benefits in this change, not least the opportunity for a single consistent framework for measuring and supporting performance across the organisation, as well as the opportunity to capture development needs consistently across the Group, allowing us to develop an efficient unified response to strategic talent/skills requirements as needed.

In FY23 we moved to the next stage of our Executive succession identification programme completed in FY22, facilitating a series of development moves for individuals identified during that process. These development moves are intended to accelerate this group's readiness for internal promotion as opportunities emerge.

### FY24 goals:

- Implement a new Group-wide performance and development review process, incorporating the RWS values
- Execute development plans for each high potential leader identified during the executive succession review
- Implement talent identification and development programmes deeper into the organisation





# Social (continued)

## LEARNING AND DEVELOPMENT

### Our new learning platform

Last year we introduced our learning management platform MyLX across the Group. This platform makes available a wide range of learning content to all colleagues across the organisation. MyLX provides a comprehensive range of more than 53,000 training assets (including custom content), of which some are available across 19 languages, and offers training in multiple formats including live virtual classes, eLearning modules and book downloads, which enables learners to utilise learning content when they need it, and in their preferred medium/format.

In addition to comprehensive content from Skillsoft, the platform also allows us to upload our proprietary RWS training content, developed by internal experts, as well as external content that has been chosen and curated internally to meet particular RWS requirements.

Encouragingly, usage of the MyLX platform continues to be very high. Since the beginning of FY23 there have been almost 45,000 learning content items assigned. There is an overall completion rate of 87% for all learning module completions which equates to almost 50,000 hours of learning. The breakdown of users was 84% by returning visitors and 16% by new users. New user numbers have reduced from last year due to the reduction in new starters year-on-year, and we are particularly pleased with our very high returning-user rates as we believe this demonstrates the quality of resources our colleagues find on the platform.

The MyLX platform also provided an excellent means to roll out the new RWS compliance training modules which we regard as a critical One RWS requirement. Last year this programme included mandatory training in both our updated Group-wide Code of Conduct and our new information security module – this year we added our global health and safety programme training and at the beginning of FY24 we will run our new privacy training Group-wide. At the end of the year we had a 98% completion rate for all compliance training across the entire business. Additionally, all new colleagues take this training as part of their induction programme. The platform has proved particularly effective for rolling out quality standards training where a certifiable review of training content is required, for example ISO related certification. Having developed a deep competence in this kind of training management during the year, next year our focus will be on enhancing training content to make it more engaging.

We have been particularly pleased with our learning champions programme this year where we have developed a broad network of colleagues across the business that the central Learning and Development team help support to develop, launch and manage their own custom training content on the platform. At this time we have more than 2,500 RWS ‘custom’ modules available.

### Management and leadership development

In FY23 we continued to make our popular Foundations of Leadership programme available to all divisions and functions, including a virtual format to maximise participation in a multi-location environment. This high-quality programme provides a consistent set of foundational leadership skills across RWS in support of our aspirations to develop common standards of high-quality leadership throughout the Group. By the end of FY23 well over 1,000 leaders and managers had attended from multiple geographies, to the point where most existing managers have now been through the training.

One new and particularly successful training programme introduced during the year was our Leading for Growth programme which focused on developing consistent high quality leadership standards across our global sales organisation. This programme involved around 70 of our sales team and covered enhanced strategic account management and planning, forecasting frameworks, and salesforce leverage. Feedback was excellent and we will build on these enhanced capabilities next year.

## TRAINING

Year	FY23
Percentage of employees receiving training	98%
Average number of training hours per employee	10.95
Percentage of employees receiving business ethics training	97%
Average training costs per employee	£173.56

### FY24 goals:

- Enhance engagement quality of compliance and quality training
- Continue to leverage MyLX learning platform





## HEALTH AND SAFETY

### Facilities, health and safety

It is our intent to provide a safe and healthy workplace, with adequate prevention and controls of health and safety risks arising from business activities in order to minimise accidents, injury or ill health. While we recognise that the nature of our business is low risk in relation to health and safety, we still focus on ensuring we meet or exceed local legislative requirements in all locations.

RWS has a Health and Safety Policy, which covers all colleagues and locations where the Group operates and commits to complying with local legislation in all jurisdictions.

We have established a Health and Safety Committee to consider, manage and report on health and safety matters to the RWS Board. It is chaired by a member of the Executive Team, meets quarterly and has cross-functional representation in its membership, including the CFO.

This year we implemented a consistent set of quality standards across all offices in the Group. A new set of health and safety procedures, enabled by a new health and safety software tool has been made available, and health and safety representatives at all of the Group's locations have been appointed and trained. These procedures outline how to implement the Health and Safety Policy in the office environment and include guidelines on how to undertake health and safety risk assessments. Feedback and engagement were both excellent and substantially all of our offices had implemented the new procedures by the end of September 2023.

Health and safety is included in the onboarding process for all new colleagues and health and safety matters are communicated regularly to all colleagues through a number of internal communications channels.

In FY23 there were seven work-based accidents reported amongst our colleagues globally.

Absenteeism rate for illness and work accidents	3%
Accident frequency rate	0.13

With the majority of our colleagues now working on a remote or hybrid basis, we provide ongoing training and guidance on home workspace ergonomics including correct display screen equipment set up, lighting and posture. We are confident these efforts will deliver ongoing value as we now operate hybrid working more permanently in most locations.



## Social (continued)



### Mental health, physical health, and well-being

We continued to develop a comprehensive programme of communication and activities to support mental health and well-being across our colleague base during FY23. This activity is communicated through our global well-being portal which includes a wide range of resources on stress management, meditation and virtual yoga, as well as ongoing guidance to managers on how to spot the signs of mental ill-health within their teams, and resources for them to support colleagues finding themselves in need.

As a part of our ongoing mental health and wellness focus, all colleagues have access to an Employee Assistance Programme (EAP). Our global EAP provides practical information (financial planning, childcare support, well-being and more) as well as counselling on a variety of topics, and is available to colleagues and their household. Information can be provided over the phone or via email and counselling is offered in-person or virtually at a time and location convenient to the colleague and in a local language as required.

Launched last year, our EAP has seen increased usage year-on-year. Overall engagement with resources on the site currently stands at 20.6%, up from 8.6% for the same period last year. Actively managed cases, typically mental health support, stand at 99 (FY22: 55). We attribute the increased usage to the natural process of awareness building over time rather than any particular cause for concern as our usage patterns are compatible with external benchmarks, but we continue to monitor it closely now the EAP is fully embedded.

Other initiatives have included: on a weekly basis, Mondays are always highlighted as Mindful Mondays for mental health promotion; Wednesday include a focus for physical health promotion; and July is designated Well-being Month during which we launch, promote and run a collection of specially curated well-being training modules for colleagues. Engagement for Well-being Month was high with 500+ colleagues attending live sessions and 900+ watching highlights afterwards. This overarching Well-being Month in July is supplemented by other events during the year. September brought the launch of our Coach to 5k jogging initiative (along with the set-up of the RWS Running Club), and October is Mental Health month.

#### FY24 goals:

- Collection of data from our new health and safety system to identify and act upon any trends
- Review health and safety training content to ensure it is engaging and relevant



## HUMAN AND LABOUR RIGHTS COMPLIANCE

In 2023 we updated our Group-wide Code of Conduct and associated training materials. Amongst other important points, the Code of Conduct details the standard of ethical behaviour that all RWS colleagues, partners and suppliers must adhere to and ensures compliance with human rights, child labour and anti-slavery measures. We instigated a global training programme to ensure any new knowledge or skills required to comply with the Code of Conduct's requirements were put in place.

Beyond this Code of Conduct and associated policies, we continue with our programme to replace any divisional policies with a single set of Group policies, as they are published, to ensure the highest degree of consistency across the Group. As these policies are developed, they are made available to all colleagues on the RWS Hub and complement our divisional efforts by ensuring we address any new global policy gaps as they emerge.

## OUR PEOPLE ROADMAP

We continue to achieve a great deal in relation to our people agenda. Most of what we planned for FY23 did take place, and where we have reprioritised resource during the course of the year we have done so in response to changing business priorities.

The RWS landscape is complex, in terms of location, legislation and diverse HR practices and a very important anchor for many of our new processes is our new Microsoft Dynamics 365 system for HR which internally we call Unify D365 – in December 2023 we will begin the progressive implementation of this system and it will become a key enabler of the organisation's One RWS philosophy.

Alongside, and often supported by the new system, we will enhance our HR capabilities to include:

- The new job architecture and career framework
- Better onboarding and recruitment
- A unified performance management cycle
- Colleague development through integrated learning
- Actionable insights through enhanced reporting

In combination, all of this will help us manage people insight more strategically, and enhance people decision-making across the business.





## Our Communities



We provide an active programme of charitable support and promote foreign language learning actively through school and university partnership programmes including the RWS Campus and the RWS-Brode Scholarship Programme.

Our philanthropic initiatives have been consolidated under the new RWS Foundation. Donations by RWS and the RWS Foundation this year amounted to about £467,000. RWS encourages its colleagues to volunteer in the community and five working days can be taken annually to get involved in charitable initiatives. Over 800 volunteering days were taken in FY23.



### SUPPORTING HUMANITARIAN EFFORTS

We are thankful that our teams around the world remain safe.

It has been very important to us as a company to support wider humanitarian efforts and we are immensely proud of all the work our colleagues are doing, as well as volunteering personal time to support people affected by conflict and extreme weather conditions.

Our colleagues, through The RWS Foundation Türkiye Appeal, raised over £7,500 to support the people affected by the devastating earthquakes in Türkiye and Syria. Their donations went to the International Red Cross 'Türkiye appeal fund' as well as Ahbap (a local Turkish charity) to enable these organisations to ensure that the people affected had access to essential supplies, food, water, as well as first aid and shelter.

The Foundation also made further donations to the DEC Earthquake appeal, UNICEF, the UN's children's fund, Ahbap and the International Red Cross.







## INCREASING ACCESSIBILITY FOR BLIND TRANSLATORS

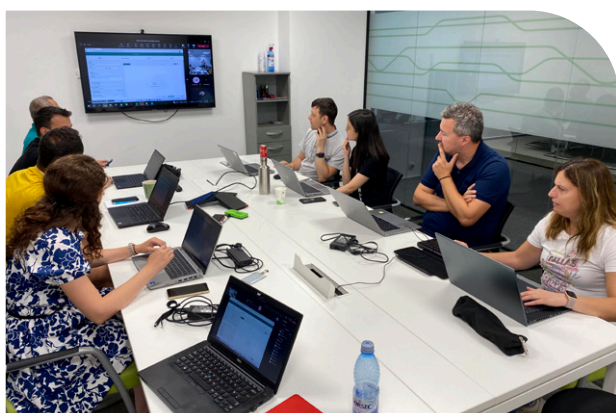
The RWS Foundation is partnering with the RWS Trados team to enable over 1,000 blind translators to work independently.

The project centres on making the next version of Trados studio accessible for visually impaired translators. This accessibility enhancement aims to bridge the gap in the translation industry, providing visually impaired individuals the opportunity to contribute their skills, become self-sufficient, and unlock their potential as translation professionals.

The initiative is being driven by a dedicated, cross-functional team and, given the scope and complexity of the project, resources are also being allocated from different areas of the software development team based on expertise and project requirements.

The team is anchored by a subject matter expert quality assurance (QA) specialist, Anna Rita de Bonis, a PhD candidate from the University of International Studies of Rome (UNINT) programme. Anna Rita has collaborated with the RWS Trados Studio development and QA teams previously, and provides a deep understanding of the needs of visually impaired users. She is providing critical insights into the user experience of this community, playing a key role in engagement efforts, and ensuring that the user experience – right from initial contact through onboarding to daily use – is seamless, intuitive, and empowering for visually impaired translators.

The project is expected to take nine months and the completed accessibility features will be incorporated into the upcoming major release of Trados Studio.



## CLEAR GLOBAL

CLEAR Global (formerly Translators without Borders) was selected as the Foundation's first beneficiary of 2023. CLEAR Global is a non-profit global community of linguists who help people in need to get vital information and be heard, whatever language they speak.

During FY23 we assisted them with a number of projects supporting people in crisis following natural disasters and in areas of conflict, for example, localising Polish and Slovak into Ukrainian.

RWS is supporting CLEAR Global by working closely with them, sharing resources and providing support with our own network of in-house translators.

Ongoing support includes translating, localising and reviewing critical content, managing large-scale projects, providing training to translators and members, and analysing data to ensure the highest translation standards are maintained. RWS has also made its machine translation post-editing course freely available to CLEAR Global's 100,000 strong community of translators, giving them the tools and skills they need to improve the standard of translation projects.

## Social (continued)

### RWS CAMPUS: THE PATH TO A GREAT FUTURE IN LOCALISATION

This year we are celebrating five years of RWS Campus; our pioneering, global programme with a clear mission: *We aim to inspire great futures in localisation and to be recognised in our industry for developing localisation talent and markets worldwide.*

Over the five years' since RWS Campus was officially launched as our global University Programme, we have been working to bring as many benefits as possible to the academic world. Over the years, we have progressed in our ambition to be a future talent incubator and to bring the benefits of translation technology to universities and students, in order to help bridge the gap between the academic world and industry. We are delighted to offer our professional expertise to universities, lecturers and students across the world, in line with their local requirements and expectations.

We believe that the future generation of localisation professionals are key to support the future direction of the industry. RWS Campus is our forum for sharing and discussing industry realities and technological advances with the academic world. This is more important than ever in the fast-moving technological world we are working in today.



September 2023: Translator day seminar in Tampere, Finland

**700+**  
University Partners  
Worldwide, across  
80 countries

**162**  
interns across  
26 countries

## Internships

One key aspect of RWS Campus is our internship programmes, through which we provide professional training and experience to help students and graduates develop key skills in a range of areas. We run internships across various localisation roles including translation, project management, rich media and technical services, both in person and remotely. In FY23 we provided more than 100,000+ hours of intern learning. We strive to support interns in their future professional plans and are pleased that many join RWS and develop their careers further with us.

### Léa Seillé

Junior Translator, RWS Paris, France

*"The great thing about working at RWS is that no two days are alike. Every day we learn new things and take on new challenges."*



### Ellie Peake

Transcription Specialist, RWS Sheffield, UK

*"Over the 12-month internship, I gained a wide insight into the translation industry and all the different teams working behind the scenes to deliver the quality output that RWS is known for. Thanks to the ongoing support from my hardworking team, I learned a lot about the end-to-end process, from vendor management and quality control to client expectations and finance."*



### Sofia Afifi Dubois

Associate Translator, RWS Paris, France

*"I've learned how to work in a great team, how to be efficient and productive in my daily tasks, how to use CAT tools and, most importantly, how to accept and work with feedback."*





## Translation technology

Through RWS Campus, we deliver the latest Trados translation cloud technology, ensuring students can access the platform, regardless of whether they are in a classroom or studying remotely. In addition to supplying detailed guides and training, we offer suggested core content tailored to support a balanced curriculum that enhances the use of translation technology. In FY23, we have expanded our offerings for Academic Partners significantly – all partners now benefit from Trados Team, which is based on our latest cloud technology, alongside Trados Studio and MultiTerm. 356 of our partners are now making the most of this latest, improved offering.

We also provide a specialised academic package for Language Weaver, enabling institutions to work with cutting-edge AI-based machine translation, including the capability to train their own engines with specific content. Partners can utilise Passolo, another product of our localisation tool portfolio, for specialised software localisation education, and we have rolled out new e-learning guides to complement the training the students receive.

Academic institutions teaching Trados gain exclusive access to a supportive community for both educators and students through the RWS community. Currently, we support over 29,000 students with Trados technology through RWS Campus. Our Top Student Award programme, initiated in 2016, has led to nine outstanding students being nominated by partner institutions to receive a complimentary Trados licence for their future careers this year.

### Dasha Maslova

Student at Zhytomyr Polytechnic State University, Ukraine

*“Trados Studio is definitely a trendsetter in the field of translation. It facilitates the translation and localisation process, making it significantly quicker and more effective. This is the first CAT Tool that I have dealt with and definitely the best. The programme’s user-friendly interface appeals to me. Consistency is achieved by the use of translation memories, and having access to free or personal glossaries significantly raises the quality of the translation. With a Trados Studio licence, I have the chance to establish myself as a competitive and in-demand professional in the translation industry. Trados Studio is a real game changer.”*



## Workshops, training and presentations

We also partner with Academic Institutions on events and tailored workshops, training sessions and lectures, to enable students to gain further skills, insight and understanding into the trends and realities of the industry. In FY23 we hosted or participated in more than 100 events across 30+ countries, including the following interactions:

- Job and careers fairs
- Presentations on roles and opportunities in RWS and the localisation industry
- CAT tool presentations and training
- Translation skills including vertical specific information
- Post-editing training and workshops
- Project management insight and training
- Sector specific translation information, e.g. medical
- Advising on industry trends
- Interview techniques
- Tips for setting up professionally as a translator and CV writing skills
- Curriculum advisory

In April 2023 we held our RWS Campus online event, which received over 1,900 registrations from 100+ countries. During this event we shared insight on a vast range of topics, including roles in localisation, the latest AI information, and technology deep dives. Using a virtual delivery platform, we were able to reach more people from more locations, supporting our goal to ensure information is accessible by all.

*“ You are doing a wonderful job and I feel like as soon as I finish my degree, almost every single topic that are mentioned here will be relevant to me.”*

Quote from a student who attended RWS Campus Online 2023

Together, our tailored internships, technology, workshops, training sessions and lectures, make up our unique value-proposition, which helps us collaborate with the academic world to lay the foundations needed to prepare students for the professional world of localisation.



## Social (continued)

### RWS SCHOLARSHIP PROGRAMME WITH THE UNIVERSITY OF MANCHESTER

In 2019 we launched the RWS-Brode Scholarship Programme – named after our Chairman, Andrew Brode – in collaboration with the University of Manchester, to encourage students to complete a degree in modern languages. Since its launch, we have supported more than 50 students through the scholarship programme, and connected with many more through other events and initiatives.

This year saw the first group of scholars finish their undergraduate degree, and in July we were honoured to be able to join them for their graduation ceremony and to meet with them to learn about their experiences and future plans.

There are 40 scholarship recipients currently studying at the University, and Andrew Brode and The RWS Foundation have pledged funding to support a further 30 students who will begin their studies in the academic years starting September 2023 and September 2024.

In FY23 we launched a mentoring programme pilot with the scholarship students. Eighteen RWS colleagues worked with 21 students to discuss roles, opportunities, networking, interview and CV tips, amongst other topics. This was a great experience for all involved.

*"The mentoring programme was very useful, talking to someone with real life experience of the job I am striving for has made it seem more achievable and helped me realise ways I can start working towards it. I can now start preparing myself for my future while still at university thanks to the help of my mentor, something I'm not sure I would have realised otherwise."*

Quote from a participant of mentoring programme

We were also very happy to be able to offer two of the scholarship recipients placements in our English Language Delivery team in August 2023.

In addition to the scholarship programme, we have a planned programme of events with the University of Manchester to support students in their education and paths into the workplace. This includes careers fairs, sharing job opportunities and joining panel events to talk about RWS and roles in localisation.

We have also provided the university with 120 Trados licences, as part of the Campus programme, to support Masters level students in learning about translation technology.

In June 2023, we welcomed four University of Manchester students to our Hong Kong office where, as part of the University's Global Graduates programme, we shared information on the localisation industry as well as what it is like to live and work in Hong Kong.

We are looking forward to continuing to develop our relationship with the University and bringing further industry insight and training opportunities to the students.





## Quotes from RWS-Brode Scholarship Programme scholars

### Oscar Seecharan

BA (Hons) Russian and Chinese, Year 4 (graduated)



This last academic year has revolved around me preparing for the next chapter of my life. I have been striving towards personal and professional goals and expanding my horizons beyond university and academic life. Studying Russian to English translation at university has served as a very good first step, as I learned useful information and skills. It also provided me with exposure to the translation industry and to the changing nature of the work.

Now that I have graduated my goals are related to finding a job that I not only enjoy, but that allows me to realise my potential. Ideally, I would like a job where I can make some sort of difference. For this reason, I am currently investigating linguistic roles in RWS, as well as interpreting in the British Army. I am very excited for the future because I believe that these opportunities are within reach for me.

This year I have engaged a lot with my RWS – meeting with my mentor, taking part in Zoom calls with RWS translators and leadership, and meeting Andrew Brode in Manchester. Having this interaction with RWS, as opposed to just emails and social media, is a very valuable and assuring thing to have. I also recognise that it is a huge privilege, and highly useful for navigating the world of work which I am about to enter.

I would like to take this opportunity to highlight my sincere gratitude to Andrew and RWS for my scholarship. To summarise, I cannot thank you enough for the effort, time, and money which has been committed to help me get the most out of my potential. I am a dedicated, committed, and focused worker, and I intend to make the most out of what I have been given.

### Sam Clarke

BA (Hons) Russian and Spanish, year 4 (graduated)



My final year at university has been incredibly rewarding, marked by both academic challenges and personal growth. I am proud to share that I have now graduated from my degree in BA (Hons) Russian and Spanish, with a First Class grade and a Distinction in Spoken Spanish.

This year has certainly been the most challenging of them all. Having returned from my year abroad in 2022, I had to re-adapt to academic life in Manchester. I had the opportunity in my final year to study a range of courses relating to both language and culture, including a Spanish Interpretation course unit. This allowed me to put my Spanish language skills to the test and I felt that this perfectly aligned with my interests, encompassing all the fundamental aspects of language proficiency: listening, reading, speaking, and translation.

Regarding my future plans, I am currently exploring different ideas about how to begin my career. While I haven't finalised a specific path yet, I have a keen interest in translation and interpretation, or any occupation that would directly utilise my Spanish language skills. I am also very open to the possibility of relocating abroad for work, especially to Spain and the role of a UK diplomat particularly captures my attention.

The RWS-Brode Scholarship has allowed me to fully immerse myself in my studies and focus on honing my language skills and academic pursuits. The financial support I have received has alleviated many of the burdens associated with university life, allowing me to dedicate more time to my studies, extracurricular activities, and personal development. It has truly made a significant difference to my overall university experience, and for that I would like to say thank you. To Andrew Brode and RWS, who have made this scholarship possible, I want to express my heartfelt appreciation. Your support has not only had a tangible impact on my education but has opened doors to exciting opportunities and a world of possibilities.

## Social (continued)

**Rozerin Demirci,**  
BA (Hons) Spanish  
and Portuguese, year 4  
(graduated)



Thanks to the continued support of The RWS Foundation and Andrew Brode, I was able to complete the fourth and final year of my bachelor's degree in Spanish and Portuguese. I have spent the last four years deeply immersed in Lusophone and Latin American cultures whilst simultaneously developing my linguistic knowledge. I can truly say I started my degree with great enthusiasm for language learning and have come out with an even bigger passion.

My final year has been a whirlwind, settling back into the routine of university after being abroad for a year and sitting my final exams in May. Nevertheless, I thoroughly enjoyed my final year as translation studies was a significant component of the course. Translation classes at university proved immensely valuable while completing my internship at the RWS offices in Porto, which also further cemented my decision to pursue translation as a future career.

As for the next steps after my degree, I am proud to say that my journey with language learning and translation is not ending here. I will be going on to study a master's degree in Translation and Interpreting Studies at The University of Manchester starting in September.

The past four years have been amazing, and it goes without saying that the help of The RWS Foundation and Andrew Brode, has greatly contributed to this. By providing financial support alongside mentoring opportunities, the scholarship has allowed me to fully dedicate myself to my studies without worrying about financial burdens, as well as equipping me with industry knowledge. It was a pleasure meeting Andrew and RWS colleagues at the graduation reception, and I enjoyed having the opportunity to express my gratitude. I would like to thank everyone for their invaluable support and generosity.

**Bertie Chadwick**  
BA (Hons) Japanese Studies,  
year 4 (graduated)



The RWS-Brode Scholarship has been instrumental in enabling me to finish my final year at The University of Manchester with a good grade. The biggest benefit of having the scholarship was that I didn't need to get a part time job in order to make ends meet, even with the rising cost of living this year. The scholarship was therefore key in helping me to do well with this year, not only in terms of the quality of work I produced but also the volume. Being able to give my studies my full focus was invaluable.

During the past year I also had the opportunity to undertake mentoring sessions with a team member from RWS. Talking to someone based in the field of translation, which I have been considering as a career choice following graduation, was incredibly helpful and valuable.

Over the course of the two years that I received the RWS-Brode Scholarship I have had many experiences that simply wouldn't have been possible without it. Being able to make the most of the time I had abroad, despite setbacks due to Covid-19, and being able to focus entirely on my studies in final year was the greatest impact of receiving the scholarship. It played a big part in the final quality of my degree and allowed me to make the most of my time at university, setting me up for the next phase of my life.

As this is my final update, I would like to end by just saying a heartfelt thank you to RWS and Andrew Brode for providing me with this scholarship and for the opportunities it afforded me. Thank you.





**Benjamin Moran**  
BA (Hons) Japanese Studies,  
year 3

This year I studied abroad at Osaka University in Japan as I continue my Japanese studies degree. The RWS-Brode Scholarship I received this year has been invaluable, as moving to a different country is very expensive. It has enabled me greater freedom to focus on my studies and using the funding from the scholarship, I was able to take the JLPT (Japanese Language Proficiency Test) N2 level; and I passed! This qualification will help to open up employment opportunities once I graduate from university and I am very grateful that the scholarship allowed me to achieve this.

Outside of studying I also had a wonderful time travelling around Japan. I travelled to Tokyo, Kyoto, Kyushu (the southern island) and Hiroshima. Whilst it was a lot of fun, it was also incredibly useful in improving my Japanese ability, as I was able to experience talking with people using different dialects (the Kansai dialect is still the hardest).

I have started preparatory work on my dissertation that I will complete by the end of the next academic year. I have also started to think about my future plans after my dissertation is complete. I would like to return to Japan very soon and maybe get a job in translation or in a job where I can use my Japanese. My experience of living in Japan has made me want to live and work there even more.

I am hugely grateful and appreciative of the very generous support that the RWS and Andrew Brode continue to provide for me through my scholarship. By supporting my living costs and helping me to move abroad, I have no doubt that the scholarship has helped me progress academically. I look forward to returning to Manchester and continuing my final year studies. Thank you so much for your continued support.



**Ellie Beatty**  
BA (Hons) French Studies,  
year 2

My experience of my second year at The University of Manchester has been even more enjoyable than my first year, which I didn't think was possible! I am really proud that I have pushed myself out of my comfort zone this year by speaking more French outside of the classroom. I am very aware that I do not have any French familial background and had not holidayed in France, which is quite common amongst others on my course. I therefore have not had as many opportunities to speak French outside the classroom. However, the scholarship allowed me to push myself and book flights to visit my friend in Geneva. This was an amazing experience and an opportunity to visit a place I had been considering for my year abroad for quite some time. More importantly, I have never been in a situation where I could practise my French language skills in everyday life, it was so enlightening that it became the main topic in my Independent Learning Portfolio, which I also discussed in my oral exam.

For my third year of study I will be in residence abroad, attending Université Lumière Lyon 2. I honestly cannot express how grateful I am for the RWS-Brode Scholarship for making this possible. The scholarship is the reason I am financially and academically able to pursue my year abroad in Lyon. I would like to give my biggest and sincerest thanks to Andrew Brode and RWS for enabling me to pursue my passion for the French language, as well as my dreams for the future. It really is making my overall experience as a student at The University of Manchester even more amazing than I could've imagined!





## Social (continued)

### RENOVATION OF CHRISTIAN HOSPITAL OPERATION THEATRE

RWS launched a project to renovate the operating theatre at the not-for-profit Christian Hospital in Indore (India), known locally as the Mission Hospital. The project is a direct result of RWS colleagues' desire to support with the RWS sustainability strategy as well as make a real difference in its community.

The Christian Hospital originated as a small clinic in 1887. As the city grew, so did the hospital. Today it is a leading 150-bed hospital providing services to over 10,000 patients every year. This community-based teaching hospital provides low-cost care to people from all social and economic backgrounds, with an emphasis on care for women and children as well as a focus on the poor, underprivileged and marginalised.

Because the Christian Hospital operates as a charity, funds to improve and maintain the hospital are very limited. While the hospital is working actively to renovate its building and other medical infrastructure, operational limitations exist that could compromise care if left unaddressed.

The hospital's operating theatres, staff room, scrub room and wash area walls showed signs of water seepage and had peeling paint. Operating tables did not adjust easily and lights did not provide enough lighting for the procedures. Despite these challenging conditions, the hospital continues to perform all necessary surgeries due to overwhelming need and its commitment to care for all patients equally.

A major benefit of the renovation project is that it could be completed quickly – in two and a half months – which minimised the impact to the hospital's operations.

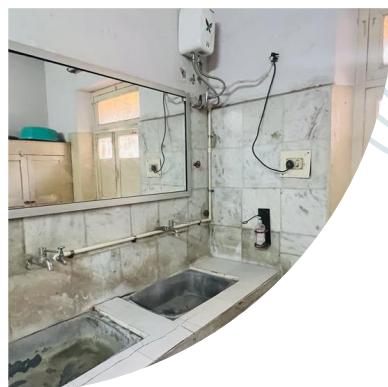
The new modular operating theatre offers the hospital's doctors, nurses and patients many functional and medical benefits, such as the ability to perform imaging and take x-rays during surgery. This provides doctors with real-time information and aids them in making informed decisions for the patient's care. Doctors are also better able to manage complications during surgery, improving patient safety and offering patients and their families greater peace of mind.

Doctors can now collaborate on a single patient's care, ensuring the right care is provided at the right time, especially for more complex or challenging procedures. Also, hospital costs decrease when a wider variety of procedures can be performed in the same operating room, improving efficiencies and reducing the need for beds.

Improved technology is another essential element of this renovation. New monitors can better track patient vital signs, the operating table can be raised, lowered and tilted, and improved operating room lamps allow for brilliant illumination during surgery. Localised temperature and humidity controls lead to better safety and comfort for medical staff.

With these renovations, the improved operating room allows the hospital to become a centre of surgical quality, excellence in care and patient safety for its community.

*"The renovated operation theatre will allow us to perform surgical procedures that require time, patience, focus and safety with ease and thus better services," said Shini Godwin, Director, School of Nursing, Christian Hospital. "We will be able to adopt a patient-centered, physician-led and team-based surgical care model which will be beneficial for all stakeholders in the hospital."*







## SCHOOL MEAL SUPPORT

Hungry children struggle to feed their hungry minds. It has long been understood that unless young learners are properly fed that they are not going to get the most out of their lessons. That is the driving ethos behind the RWS partnership with The Akshaya Patra Foundation: making sure primary school children in an Udaipur school get at least one square meal a day during term-time so they can make the most of their education.

Our office in Mumbai (India) has been working with the foundation since 2019 to provide financial support, expertise and volunteers to help with their work.

The foundation is an NGO that works on the ground providing logistical support to supply the meals to school children and provide other support to schools. Last October, the foundation reached the milestone of feeding 2 million children a day. Their mission is to serve 3 million children a day by 2025 and has been able to expand its reach with the support of corporate and government partners.

Colleagues in Mumbai have developed a strong, direct relationship with Karelon Ka Guda Primary School in Udaipur.

Team members have engaged with various school by cooking and serving meals for the children, offering mentoring programmes and vocational training to pupils, and making improvements to the school environment by planting trees and painting murals.

*" We at the Akshaya Patra Foundation feel privileged to have an empathetic partner like RWS who has been dedicatedly supporting the mission of eradicating hunger from the lives of children from marginalised communities," said Mr Anant Arora, Chief Sustainability & Communication Officer, The Akshaya Patra Foundation. "Your generous contribution for funding the meals of schoolchildren in Udaipur is surely a strong step toward nourishing the future of India with strong and quality citizens."*





## Social (continued)



### SZRENICA MOUNTAIN EXPEDITION 2023

The RWS Mountain Expedition continued again this summer, writing the brand new chapter to the story of international meetings at the top of mountain peaks, climbing the Szrenica Mountain (1,362m) which borders Czechia and Poland.

This year the challenge attracted the biggest team so far – 77 colleagues from Croatia, Czechia, Germany, Hungary, Poland and Slovenia joined together to raise money for the People in Need charity in Ukraine once again.

The route, over 21km with an almost 1km altitude change, took them through beautiful valleys, green forests, challenging hills, next to crystal clear lakes and waterfalls, whilst chatting to colleagues, listening to the sounds of nature and admiring beautiful landscapes around them.

Although reporting that “sometimes your feet may think this is acupuncture session, your lungs are just willing to escape your body, your legs’ muscles do tear apart your new pants, your heartbeat thinks it is a German autobahn, and there is not enough salt in your body to salt your sweat” the team had a great time getting to know each other in person and are already planning the 2024 mountain challenge.

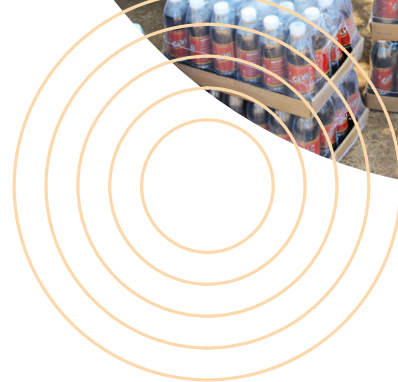




### BOOST IT PROGRAMME

A big part of the Foundation's focus is to encourage colleagues across the company to take part in fundraising activities. And the teams didn't disappoint! So far over 800 volunteer days have been taken by colleagues to raise funds, support local charities – or other causes close to their hearts.

Sadly, there are too many examples to mention here. But they range from raising money by competing in 10km runs, charity concerts, visits taking gifts to mentally ill centres to offices hosting cook-off competitions to help combat food poverty, preparing meals for Ukrainian refugees and distributing meals to a children's daycare centre and homeless individuals across the city.





## Social (continued)

### Clients

*RWS strives to satisfy its clients' needs by providing services that meet and/or exceed their expectations.*

Our clients rely on our expertise, integrity and creativity to help them overcome their translation challenges and keep their businesses moving forward in a global environment. Our colleagues are aware of the role they play in achieving this which is reflected in improving and optimising existing processes and controls, striving for:

- On-time delivery
- Right first time
- Client satisfaction

#### Good client relations

Good client relations are of paramount importance to us, and we are proactive in building long-term relationships with our clients and have a proven track record in doing so. We work closely with them to understand their requirements and always put in place a team and process that meets their specific needs.

Most importantly, however, are the open channels of communication we like to maintain with our clients. We do this by building a client centric culture by taking the 'outside-in' approach where we remain in regular contact to help us anticipate their needs and pre-empt and/or immediately address possible areas of concern and always remain alert to identifying areas for streamlining our processes and continuous business improvement.

#### Efficient and high-quality service

We are highly committed to delivering an efficient and high-quality service to all our clients and take a proactive approach to ensure this is achieved. Internally we measure and report on the number of projects delivered on time and client satisfaction through the logging of positive and negative feedback received, either through the response to questionnaires sent with completed projects or gathered during account review meetings or received directly from clients.

We seek client feedback in several ways, this includes:

- At client onboarding we define service level agreements (SLAs) and key performance indicators (KPIs) by which our performance will be evaluated. We also define reporting requirements to ensure full visibility within the programme
- Business relationship management (BRM) with key accounts
- Map reporting to client specific needs – tracking performance against specific metrics providing feedback anecdotally and at quarterly business reviews, etc.

- Net promoter score (NPS) tracking and interviews via our 'voice of the customer' programme. Our NPS score for the Group for FY23 was 42 at 30 September 2023 on a rolling 12-month basis
- Project questionnaires and annual client service-level questionnaires including our 'voice of the customer' and 'voice of the vendor' surveys
- Webinars and roadshows
- More than 160 industry events
- Calls and contact via our helpdesks
- Live chats
- User communities and user groups
- Feedback channel on website
- Telemetry which is built into Trados Studio to report errors in the software to a centralised database
- Technical Support surveys carried out at the close of every incident reported. All surveys with negative feedback are followed up by Technical Support management with the client so improvements can be made
- Product uptime KPIs (for Cloud Operations) which are discussed with the customer through their Cloud Operations Service Delivery Manager or Account Manager

The RWS Account Management teams attend regular account review meetings according to a timescale agreed with the client where we discuss our performance and provide updates and service developments with the potential to further enhance the added value delivered by RWS. During such meetings, we present and discuss data relating to service delivery and our performance against agreed KPIs.

#### Improving client outcomes

- Innovation, automation, efficiency, accessibility, security making us more agile – RWS has always adopted technology in its process and its innovative use of technology in our translation process is one of the Group's unique selling points
- Responding to client needs – as described above we do this through our in-depth knowledge of the market and constant dialogue with our clients
- Continue to improve our products to further empower clients – we operate in a fast-moving market where technology plays an increasingly important role. We constantly strive to deliver new business services designed to streamline and improve the efficiency of our clients' services





## Suppliers

*RWS is committed to ethical and responsible sourcing and engagement with suppliers who share common principles of fair and honest trading, demonstrate a commitment to maintaining satisfactory working conditions, and comply fully with all applicable legal requirements of those regions in which our operations take place.*

The maintenance of a well-managed supply chain is a priority for RWS. Our suppliers are selected on quality, service and cost criteria as part of our responsible procurement practices.

The RWS Group Supplier Code of Conduct outlines our core principles for supplier conduct, including compliance with laws and regulations, labour and human rights, terms and conditions of employment, working conditions, discrimination, harassment and retaliation, payment for services rendered, child labour, health and safety, sustainable development and environmental protection, data privacy and anti-corruption and bribery. We are mindful of our obligations under the Modern Slavery Act, 2015 and our commitment to eliminate slavery and human trafficking in our supply chain. Our 2023 Modern Slavery and Human Trafficking Statement sets out our commitment to understanding our modern slavery risks and ensuring that our business and supply chain are free from modern slavery and human trafficking, together with our policies and governance.

RWS has a diverse supply chain with suppliers located in 166 countries across multiple categories. These include technology (hardware, software, cloud, telecom, etc.), indirect (consulting, marketing, stationery, travel, etc.), and direct (production-related services, etc.) suppliers.

RWS supply chain can be categorised into two main areas:

- **Direct suppliers** – these include:
  - Freelancers – individuals who provide us with localisation services
  - Single language vendors (SLV) and multi-language vendors (MLV)
  - Non-professionals – individuals who are part of our crowdsourcing service
- **Indirect suppliers** – these are both small and large companies who provide us with products and services

We believe it is important to have two-way communication with our suppliers to foster better relationships and keep them updated on our requirements, as well as assisting with efficiencies, quality, insight, costs and reliability.

During FY23 we engaged with our suppliers in numerous ways. These included newsletters, vendor feedback and satisfaction surveys, holiday capacity surveys, buddy meetings between language leads, monthly welcome calls, on-boarding sessions, specialised training sessions (such as programme-specific post-editing training delivered on an individual basis, workshops on creative translations and best practices for our service providers, specialised training on subtitling and challenges for APAC languages), as well as surveys to get feedback on the training provided and their feedback on ESG materiality.

We believe sustainable sourcing is essential as it helps reduce risks in the supply chain and meets the expectations of our stakeholders. It helps us make informed and balanced decisions when purchasing products and services to ensure we get the best value for money while ensuring we take into account the environmental, social and ethical aspects over the whole product or service life cycle.

We wish to do business with responsible suppliers and subcontractors who understand the nature of the products, materials and services they are supplying, and with those who recognise their responsibility to protect the environment and manage good relationships with their colleagues and local communities.

We expect all suppliers and subcontractors to manage the environmental and social impacts of their business operations. Suppliers and subcontractors should, where appropriate, adapt their business practices to ensure that they meet with our Supplier Code of Conduct. Our supply chain has our full support in working towards compliance.

RWS prides itself on paying its suppliers promptly and in FY20 signed up to the Prompt Payment Code. During FY23 our average payment terms to suppliers was 37 calendar days.

It is our intention to roll out our Supplier Code of Conduct to all suppliers, capturing evidence of acceptance. We have developed a Group-wide Sustainable Procurement Policy which, demonstrates our commitment to the United Nations Ten Principles. Additionally, we have set formal Group-wide KPIs, are working on a cohesive global onboarding process for new suppliers and a formal audit capability (focusing initially on geographic regions and revenue). This will enable us to review findings on a Group-wide basis and co-ordinate the necessary activities to enhance supply chain resilience and reduce business risks.



# Governance



*We are strongly committed to upholding the values of good governance as we believe it is important for the long-term success of the business – our clients can depend on us, we can attract the top talent we need to help us innovate, our suppliers can rely on us, and it helps us secure the support of our investors. RWS is committed to promoting transparent, fair and timely decision-making that considers the needs of all our stakeholders.*

## BUSINESS ETHICS

We take a zero-tolerance approach to bribery and corruption, financial crimes, and other violations against professional integrity.

RWS is committed to acting professionally, fairly and with integrity in all our business dealings and does so in compliance with the RWS Group Code of Conduct. The Code of Conduct is reviewed annually to remain consistent with ever-changing regulatory standards and guidance. All colleagues must complete the Group Code of Conduct and undertake ethics training on an annual basis, and we require that everyone in our supply chain adheres to the same ethical standards as RWS. Completed training for RWS colleagues for FY23 was 98%.

We believe that, with our policies, procedures and controls, together with the nature of our business, the risk of the Group encountering financial crime or corruption is low. Nevertheless, we must always be vigilant and prepared to identify such activity and know how to deal with it if encountered.

RWS has specific policies in place which ensure that professional integrity is adhered to covering the following subjects – anti-money laundering, anti-bribery and corruption, financial crime and fraud, modern slavery and human trafficking, sanctions and speaking up, amongst others.

### Key policies published on our website include

- Code of Conduct
- Anti-Bribery and Corruption Policy
- Client Entertainment and Gifts Policy and Procedure
- Corporate Sustainability Policy Statement
- Environmental Policy
- Diversity, Equity and Inclusion Policy
- Harassment, Bullying and Victimisation Policy
- Health and Safety Policy
- ISMS Policy
- Labour and Human Rights Policy
- Modern Slavery and Human Trafficking Policy
- Speak-up Policy
- Supplier Code of Conduct
- Sustainable Procurement Policy

RWS takes its sanctions obligations seriously and continues to ensure awareness of sanctions issues across all its teams and remains vigilant in combatting sanctions breaches.

RWS requires all colleagues, contractors, and partners to operate in a professional, ethical, and diligent manner and be transparent on all possible conflicts of interest.

RWS works with external law firms and consultants to keep up-to-date globally on any changes to legal and regulatory standards to ensure that any new legal requirements are reflected in its policies.

All confidential and personal data is governed by terms of engagement between RWS and its clients, suppliers, and partners. Data is handled only by authorised personnel in a secure manner in accordance with GDPR and other applicable data privacy and data security regulations and standards.

RWS maintains a governance framework which describes the company's structure and governance, roles and responsibilities, review of strategy and risk, and appropriate delegations of authority.

We encourage any form of corrupt or suspicious behaviour to be reported either through an independent third-party portal or via internal processes specified in our Speak-up Policy. The investigation and response to any reports received are overseen by members of the Executive Team and reported to the Audit Committee.



In addition to our annual Code of Conduct and ethics training, in FY23 we implemented Group-wide information security training, as well as health and safety training, for all colleagues to complete in the RWS training portal, MyLX. This training was essential in helping RWS maintain a secure environment for RWS, its clients, contractors, and partners.

RWS strives to comply with best practice and benchmarks itself against leaders in business ethics and professional integrity, as well using knowledge acquired from attending conferences such as the annual European Compliance and Ethics conference, trade publications and professional subscriptions and legal news and analysis on legal and regulatory issues.

## GOVERNANCE AND REPORTING

As an AIM listed company, RWS has chosen to implement The Quoted Companies Alliance Corporate Governance Code (the QCA Code). The principles and disclosures laid out by the QCA Code provide a framework to ensure we have the appropriate governance arrangements in place. The Board believes that it complies with all the principles of the QCA Code and our 2023 Annual Report includes details of our compliance, which is reviewed annually in line with the requirements of the QCA Code.

## CORPORATE GOVERNANCE STRUCTURE

The Chairman leads the Board and has overall responsibility for corporate governance and promoting the values of the Group, both internally to colleagues and externally to the broader stakeholder group. The CEO manages the day-to-day operations of the Group.

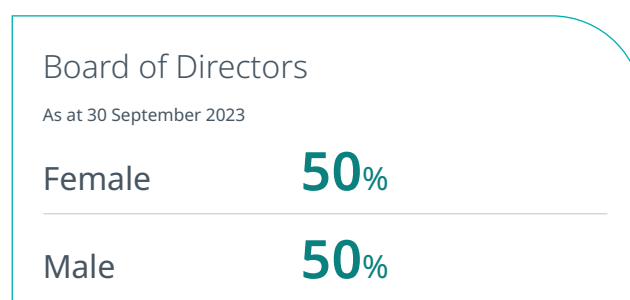
The Board is committed to providing an environment and opportunities that encourage and reinforce the corporate culture of the Group. It is committed to extending the values that it promotes to include all stakeholder groups. The Board recognises the importance of, and is committed to, ensuring that effective corporate governance procedures are in place and that they are appropriate for a public company of the size and complexity of RWS.

The Board is committed to providing specific training to Directors, be it internally sourced or via external advisers, to ensure their skillset remains relevant for the Group's requirements.

As part of our commitment to high standards of governance, the Board recognises the importance of having Non-executive Directors who are independent in character and judgement, and free from relationships which may affect, or could appear to affect, their judgement. The RWS Board consists of the Chief Executive Officer and Chief Financial Officer as Executive Directors, the Chairman, and five Non-executive Directors, together with the Company Secretary.

The Board considers that all the Non-executive Directors are independent (save for the former Chairman, Andrew Brode, who is not deemed independent due to his previous executive role) and that there are no relationships or circumstances which are likely to affect their independent judgement.

### Governance framework



The Board believes that, as a collective, the Directors have the necessary blend of sector, financial and public market skills and experience, along with an effective balance of personal qualities and capabilities. Directors keep their skillset up to date in a variety of ways, and their skills and expertise are reviewed on an annual basis.

## Board and committee composition

1

### CHAIRMAN

2

### EXECUTIVE DIRECTORS

4

### INDEPENDENT NON-EXECUTIVE DIRECTORS



### THE BOARD

The operation of the Board is documented in a formal schedule of matters reserved for its approval, which is reviewed annually.



### COMMITTEES

The Board has properly constituted Audit, Nomination and Remuneration Committees ('Committees') of the Board with formally delegated roles and responsibilities. The Committees' respective terms of reference are available on the Group's website.

### AUDIT COMMITTEE

The Audit Committee monitors the integrity of the financial statements of the Company including but not limited to its annual and half-yearly reports, preliminary announcement of, and any other formal announcements relating to, its financial performance, and reviews and reports to the Board on significant financial reporting issues and judgements which those statements contain having regard to matters communicated to it by the auditor.

### NOMINATION COMMITTEE

The Nomination Committee leads the process for appointment to the Board and ensures plans are in place for orderly succession for the Board and other senior management positions.

### REMUNERATION COMMITTEE

The Remuneration Committee is responsible for setting the remuneration policy for all Executive Directors and the Company's Chairman, including pension rights and any compensation payments. The Remuneration Committee also recommends and monitors the level and structure of remuneration for the Executive Team. No Director or Senior Executive is involved in any discussion or decision about their own remuneration.







## ROLES AND RESPONSIBILITIES

The Chairman leads and chairs the Board and has overall responsibility for governance and promoting the values of the Group, both internally to colleagues and externally to the broader stakeholder group. The Chairman is also involved in developing a strategy for the Group and supporting investor relations and communication between the Group and its shareholders.

A key part of the Board's commitment to high standards of governance is an active dialogue with its shareholders. The Chairman is also involved in the evaluation of potential acquisition targets that fit within prescribed selective criteria, to further grow the Group. All of the day-to-day operations of the Group are managed by the CEO.

The CEO provides leadership and management to the Group and its Executive Team. The CEO drives the development of objectives, strategies and performance standards whilst also overseeing key risks across all divisions of the Group. The CEO also plays a lead role in devising and implementing the Group's corporate strategy and in investor relations to ensure that communications with the Group's shareholders and financial institutions are maintained.

The CFO is responsible for shaping and executing the financial strategy of the Group. In this role the CFO also supports the Group's investor relations programme and corporate development efforts. The CFO also has responsibility for identifying the broad market-related risks and collating specific potential risks from the members of the Executive Team for further assessment via the established risk management framework.

The Senior Independent Director acts as a sounding board for the Chairman and a trusted intermediary for other Board members, leads Chairman performance review and succession process, and acts as an additional point of contact for shareholders.

The General Counsel and Company Secretary holds overall responsibility for the Group's legal, governance and risk management functions. The General Counsel and Company Secretary attends all Board and Committee meetings, ensures timely dissemination of information to the Board, supports the Board with inductions, training and evaluations, advises on all corporate governance matters, and acts as a point of contact for shareholders.

## EXECUTIVE TEAM

Under the chairmanship of the Chief Executive Officer, the Executive Team committee comprised as at 30 September 2023 four Presidents in charge of the Group's divisional activities, the Chief Financial Officer, the Chief Language Officer, the Chief People Officer, the General Counsel and Company Secretary, the Group Corporate Development Director and the Chief Information Officer.

The Executive Team's role is to ensure the operational management of the RWS Group. The Executive Team is a decision-making body that focuses on operational matters and performance enhancement. It reviews major issues regarding operations, organisation and various cross-divisional projects and meets regularly.

### Executive Team

As at 30 September 2023

Female

36%

Male

64%



## MANAGING RISKS

Identifying and managing risks are key to our business to protect the business, our people, our communities as well as deliver long-term shareholder value.

The Board routinely monitors risks that could materially and adversely affect the Group's ability to achieve strategic goals, its financial condition and the results of its operations. The Board is supported by senior management personnel who collectively play a key role in risk management and regularly report to the Board.

Ten of our twelve principal business risks are relevant to ESG, and these are set out in the table on the below.

In addition to these known principal risks, we continue to identify and analyse emerging ones including those related to ESG, such as climate risks. We are a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) (see pages 74 to 86) and the SASB Standards reporting framework to report on material issues (see pages 70 to 73).

Principal risk	Related ESG topic/sustainable business priority
<b>Competitive risk</b>	Community – on-time delivery, right first time, innovating and inspiring our clients
<b>Geopolitical</b>	Our people and communities – potential to impact all – health, safety and well-being of our people and communities
<b>Failure to attract, engage, retain and develop key talent</b>	Our people – inspiring, rewarding and supporting our people
<b>Failure to manage data-privacy requirements and expectations</b>	Governance – treating data with care and due diligence
<b>Cyber security</b>	Governance – treating data with care and due diligence
<b>Failure to deliver transformation programme</b>	Community – potential to impact all
<b>New technology and AI</b>	Governance – harness innovation and efficiencies
<b>Failure to deliver profitable growth</b>	Our people and communities – potential to impact all
<b>Legislative/regulatory compliance risk</b>	Governance – potential to impact all
<b>Climate change and natural disasters</b>	Environment – potential to impact all – well-being of our people and communities

The Group categorises risks according to the likelihood of occurrence and the potential impact on the Group. Impact is assessed on financial grounds. Financial impact in the period could be increased costs, reduced revenue, fines or increased management time required to deliver a given activity.

The Board has direct oversight of climate-related issues and risks and it agrees our position and commitments on climate change.

The Executive Team assists the General Counsel and Company Secretary with the identification of risks through horizon-scanning sessions. Potential risks related to existing and future regulation, reputation and markets, potential financial impacts, and physical climate change are all considered carefully.

Once identified, risks are prioritised using a risk matrix approach which assesses the potential impact on the Group and the likelihood of occurrence. Risks are assessed over the short-, medium-, and long-term on both a gross basis and net basis, i.e. without considering existing mitigations and then with existing mitigations, respectively.

A formal risk assessment review is undertaken annually to prioritise principal risks using the above defined risk matrix (impact equals level of hazard vs likely probability). Potential appropriate actions are also identified. These risks and actions are presented to the CEO and Board, influencing business strategy.

The Group routinely monitors for emerging regulatory developments, complies with reporting requirements, annually benchmarks its performance against climate and sustainability targets, and develops specific action plans for carbon reduction.

The General Counsel and Company Secretary has overall responsibility for the Group's risk management programme. She is assisted by the Executive Team, the Head of Sustainability and ESG, and additional top management.

RWS promotes transparency on its climate-change management strategy through engagement with stakeholders throughout its value chain. Details on how RWS has responded to risks are provided through news releases, stock exchange announcements, and publicly published reports such as its GRI Report and its Environmental, Social and Governance (ESG) Report.

See our 2023 Annual Report for more on our principal risks and risk management processes, including our approach to managing ESG risks.



## TAX TRANSPARENCY

RWS manages its tax affairs responsibility and seeks to build constructive relationships with all tax authorities.

During the year, the Board reviewed and approved the Group's Tax Strategy, with the Board and Audit Committee receiving regular updates on tax matters.

The approach RWS has taken in relation to the management of tax issues is to ensure that:

- We comply with all applicable laws, disclosure requirements and regulations in the territories in which we do business
- We have an open and transparent working relationship with the relevant tax authorities around the world
- Where considered appropriate, the Group takes advice from professional firms
- Tax risks are appropriately managed in accordance with the tax strategy
- Our tax planning is aligned with the Group's commercial and business activities and does not use 'tax haven' countries or other tax avoidance arrangements as part of its tax planning

As an employer of more than 7,900 colleagues across 33 countries and over 65 offices globally, RWS also makes significant tax payments in respect of payroll taxes, value-added taxes and business/premises taxes.

## CYBER SECURITY

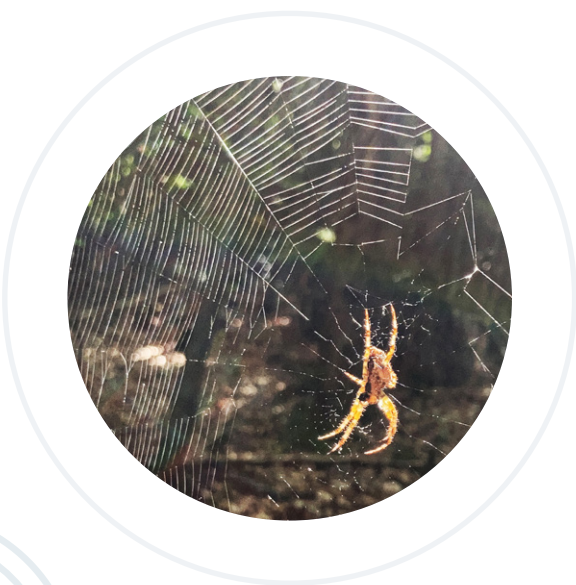
Cyber security is the practice of defending computers, services, mobile devices, electronic systems, networks and data from unauthorised access. Cyber incidents have been on the rise in recent years, driven by increased connectivity, remote working, reliance on technology, and automation. RWS understands that its cyber security preparedness must continue to evolve to address the changing risk.

The strategic security posture for RWS is set by the Information Security Steering Committee (ISSC), chaired by the CIO. This group includes stakeholders from all relevant business units to collaborate on continual improvement of increasing awareness and supporting a consistent risk-based approach to information security. Furthermore, the ISSC provides oversight and governance of information security risks.

The Information Security Management System (ISMS) is the framework that underpins the globally recognised ISO 27001:2013 certification. We hold this for our hosted product solutions, Regulated Industries division, IP Services division and their supporting services, people, processes and technology. RWS also holds SOC2 certificates for its Cloud Operations function. The ISMS provides a robust baseline which gives RWS the agility to further develop the controls needed to meet a variety of sector specific information security compliance requirements, if identified as being in the business interest. Our ongoing work to improve and expand the scope of our certified ISMS ensures the implementation and external validation of internationally recognised information security controls which benefit both RWS and our clients.

Acknowledging that security risks will always exist, our organisation adheres to a suite of information security policies which provide high level security guidance to all RWS functions in several areas including, but not limited to risk management; physical security; privacy, and incident management. They set out our approach to supporting business aims and objectives whilst ensuring a consistent approach to the management of risk.

The analysis of security risks in accordance with these approved policies and processes identifies threats, considers the likelihood of the threat materialising and assesses any potential impact on business objectives. This structured approach informs decision makers and allows them to identify whether mitigation is appropriate and if so, what form it should take. This could, for example be to implement technical controls or update processes which reduce the risk to an acceptable level, or even to stop an activity altogether. Selection of appropriate mitigating measures or controls are informed by advice and guidance from the security team but is the responsibility of the asset/risk owner. If the owner of an asset is unable to address the risk satisfactorily, it can be escalated to





the next level in the management chain. Security risks are captured and managed through our security risk management process which is the responsibility of our CIO, and shared with the Board annually.

RWS employs 'defence in depth' in its security posture and understands that regular testing of its security controls is important. As such we routinely conduct vulnerability scanning of our internal and external infrastructure and, at the request of some of our clients, elements of our public facing infrastructure are subject to periodic penetration testing. This allows the identification of weaknesses which are analysed to determine the most appropriate mitigation to be applied.

The UK's Cyber Security Breaches Survey identified that 83% of businesses reported phishing attacks in the last 12 months, making it the most prevalent type of attack. Like other businesses RWS is regularly subjected to such attacks and whilst our technical controls block most spam and malicious messages, it is inevitable that some phishing emails get through. Because we understand that employees are likely to be our weakest link, we continually aim to improve our annual security awareness training to provide colleagues with the information necessary to identify such threats thereby reducing the risks. In addition to regular messaging and security awareness delivered through our learning management system, MyLX, RWS uses external providers to deliver security training, knowledge assessments, and testing, allowing us to identify where additional training may be needed, track its delivery and participation and test its effectiveness.

Our security roadmap takes a cost effective and balanced approach to provide appropriate protection that is prioritised in response to market threats and in areas that our clients tell us are important. Examples include the implementation of MFA across the RWS Group and M365 estate, deployment of VDI environments and roll out of 24/7 monitoring and detection capability to enable incidents to be addressed as soon as possible to minimise any business impact.

The Group experienced a cyber incident in April 2023. Following the detection of unauthorised external access to a legacy project management workflow application which supports a small part of the Regulated Industries division, the Group immediately enacted contingency protocols, temporarily shutting the application down and appointed external cyber security experts to investigate the circumstances and scope of the incident. It was confirmed that evidence of unauthorised access was restricted to the application concerned. The individuals and organisations that could have been affected were contacted, advised of the steps they should take and, where appropriate, offered support. The Group also took steps to comply with relevant regulatory obligations and as part of this notified the UK's Information Commissioner's Office. The application was securely restored.

## DATA PROTECTION

Headquartered in the UK, RWS has adopted the EU GDPR and UK Data Protection Act 2018 as its benchmark for data protection. We have a comprehensive set of policies which reflect the applicable privacy legislation and identify processes, procedures and practices focused on the protection of personally identifiable information (PII).

Compliance with data privacy is one crucial aspect of responsible business practices. We understand that personal, demographic, and financial details are just some of the information that may be disclosed, and we take appropriate measures to safeguard our clients' data. This includes complying with relevant data protection laws, regularly reviewing our data privacy policies and practices, and investing in technologies and tools to protect our clients' data. We believe that by upholding high standards of data privacy, we can not only build trust with our clients but also contribute to the wider goal of creating a safer and more secure digital environment for everyone

RWS, being cognisant of the requirement for privacy by design, provides functionality within RWS software to enable clients to comply with their obligations under data protection law.

RWS processes personal data on behalf of clients when providing localisation services or when licensing our software via SaaS. Our clients collect the data and transfer it to RWS to process. Client data is translated, transmitted and stored within the RWS environment and on completion is deleted in accordance with internal deletion policies or as specified by the client. Similarly, when RWS licences web content management software, the client determines the parameters of data collection and retention. RWS processes client data in accordance with instructions agreed with clients in non-disclosure agreements, contracts and data processing agreements. We only retain personal data for as long as necessary to fulfill the purpose for which it was collected or to comply with legal, regulatory or internal policy requirements.

RWS does not undertake detailed profiling of consumers on behalf of clients. Data provided by clients is never sold or rented. As required to perform the services, RWS will disclose data between affiliate companies and approved third party subcontractors; appropriate data processing agreements are in place to govern these transfers.





## MARKETING AND LABELLING

As a responsible business, RWS recognises the importance of providing accurate and adequate information to our clients regarding the positive and negative economic, environmental, and social impacts of the products and services they consume. We understand that our clients rely on our expertise, integrity, and creativity to help them overcome their translation challenges and keep their businesses moving forward in a global environment. That is why we strive to deliver efficient and high-quality services that meet or exceed our clients' expectations. Additionally, we are committed to being open, honest, and ethical in our marketing communications, and comply with applicable data protection law. We believe that access to fair and responsible information about our products is essential, and we always communicate accurate content in alignment with our values and core purpose of unlocking global understanding. Our efforts towards meeting these goals and our continued commitment to creating positive impacts for our clients, the environment, and society.

In addition to our commitment to providing accurate and adequate information about our products and services, RWS also recognises the importance of responsible marketing. We understand that responsible marketing is about not only meeting our clients' needs but also having a positive impact on them and the community we are both a part of. It is about building trust, and we believe that there are a number of ways brands can do this. For instance, we always ensure that our marketing communications are aligned with our core values and purpose of unlocking global understanding, and we strive to be transparent, honest, and ethical in all our advertising efforts. Complying with applicable data protection law, we work closely with our clients to understand their needs and preferences, so we can tailor our marketing messages accordingly.



## FY23 INVESTOR AND OTHER RECOGNITION



During FY23 the Group had:

- ISO 9001: applicable in 45 offices, 38 offices certified and 7 offices compliant
- ISO 17100: applicable in 39 offices, 32 offices certified and 7 offices compliant
- ISO 18587: applicable in 37 offices, 30 offices certified and 7 offices compliant
- ISO 27001: applicable in 16 offices, 9 offices certified and 7 offices compliant
- ISO 13485: applicable in 8 offices, 1 office certified and 7 offices compliant
- ISO 21500: applicable in 12 offices, 12 offices compliant
- ISO 14001: applicable in 21 offices, 5 offices certified and 16 offices compliant

All applicable sites are sites providing services which are in scope of the ISO certification within the reporting year.



Risk Rating Score: 15.3  
Risk Rating Category: Low Risk



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# SASB Disclosure

## SERVICE SECTOR: PROFESSIONAL AND COMMERCIAL SERVICES

REPORTING YEAR: ALL DATA REPORTING FOR FY23 UNLESS SPECIFIED

RWS has chosen to report by disclosing sustainability topics and certain accounting metrics in line with the SASB Standards. In August 2023, the International Sustainability Standards Board (ISSB) of the IFRS Foundation assumed responsibility for the SASB Standards. The ISSB has committed to maintain, enhance and evolve the SASB Standards and encourages preparers and investors to continue to use the SASB Standards.

The Standards:

- Surface information about sustainability-related risks and opportunities that is likely to be decision-useful for investors
- Are industry-based because those risks and opportunities vary by industry
- Are designed to be cost-effective for companies to use
- Are developed using an evidence-based and market-informed process similar to that which is used to develop financial accounting standards
- Put preparers on the path toward ISSB implementation

Global investors recognise SASB Standards as essential requirements for companies seeking to make consistent and comparable sustainability disclosures.

RWS is supportive of the SASB framework as it allows companies to provide comparable and consistent ESG-related data. We have modified some metrics to reflect our domicile in the UK. In addition, we have provided additional metrics where we believe they will provide further information regarding a specific sustainability topic.

We have chosen to report in conformance with the SASB Standard for the Professional & Commercial Services industry, which includes the following disclosure topics:

- Data security
- Workforce diversity and engagement
- Professional integrity

These ESG topics are reviewed along with specific metrics in the following sections of the ESG Report:

Topic	Summary approach	For more information
<b>Data Security</b>	We understand that information security is important to all our stakeholders including clients, investors and colleagues. We take a risk-based approach to the implementation and maintenance of a robust baseline of security controls which are specified in our information security management system, monitored by senior management and subject to regular external and internal validation. This allows RWS to ensure our safeguards are appropriate and proportionate and facilitates the continual improvement of our information security position.	SASB metrics: page 71 Discussion and Analysis: pages 67 to 68
<b>Workforce Diversity &amp; Engagement</b>	RWS success is based on its delivery of high-quality solutions. RWS recognises the importance of having an engaged, motivated and diverse team of colleagues and has several initiatives in place that seek to maintain an inclusive culture, recognising achievement and support of all its colleagues.	SASB metrics: pages 71 to 73 Our people: pages 36 to 47
<b>Professional Integrity</b>	For RWS, acting and being seen to act with the highest level of professional standards and integrity is fundamental to developing and maintaining trusted partnerships with its various stakeholders. RWS seeks to act with transparency, honesty and integrity at all times.	SASB metrics: page 72 Governance: pages 62 to 69





## Sustainability disclosure topics and accounting metrics

Topic	Summary approach	Category	SASB code	For more information
<b>Data Security</b>	Description of approach to identifying and addressing data security risks	Discussion and Analysis	SV-PS-230a.1	See pages 67 to 68
	Description of policies and practices relating to collection, usage, and retention of customer information	Discussion and Analysis	SV-PS-230a.2	See page 68
	(1) Number of data breaches (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII) (3) number of customers affected	Quantitative	SV-PS-230a.3	As per the SASB requirements a data breach is defined as 'the unauthorised movement or disclosure of sensitive information to a party, usually outside the organisation, that is not authorised to have or see the information.' There have been no known data breaches of this nature.
<b>Workforce Diversity &amp; Engagement</b>	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	Quantitative	SV-PS-330a.1	As RWS is a global business, and in keeping with local legislation which differs from region to region, once again the decision was taken to reach out to all colleagues globally but on a totally anonymous and voluntary basis. This was done so that RWS was deemed to be acting inclusively rather than excluding certain regions.  The survey asked colleagues to share information on their gender, age, ethnicity, sexuality and disability.  This was the third year RWS has undertaken this survey and the response rate was 49.8%, up 13.6 percentage points from last year (36.2%). Due to the still relatively low response rate, we are unable to substantiate that RWS is a truly diverse company.  Going forward we hope that the voluntary response rate will increase. For the results of our survey, please see Tables 1, 2 and 3.
	(1) Voluntary and (2) involuntary turnover rate for employees	Quantitative	SV-PS-330a.2	See Table 4
	Employee engagement as a percentage	Quantitative	SV-PS-330a.3	See Table 5  FY23 was the third year RWS undertook a Group-wide employee engagement survey. In FY21, using an off-the-shelf software, RWS achieved a response rate of 81%. In FY22 we switched to using a world-class external engagement survey and platform which provides more precise colleague engagement data and enables us to benchmark our results externally. The survey was completed again in September FY23 and we achieved a global response rate of 84%, slightly down on last year's score of 85%.  This year we achieved a 61% favourable employee engagement score (see table 5).  We remain encouraged by the results regarding diversity and inclusion with a 81% favourable response to the critical question "RWS promotes a diverse culture where individuals from all backgrounds feel a sense of belonging."



## SASB Disclosure (continued)

Topic	Summary approach	Category	SASB code	For more information
<b>Professional integrity</b>	Description of approach to ensuring professional integrity	Discussion and Analysis	SV-PS-510a.1	See pages 62 to 69
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	Quantitative	SV-PS-510a.2	There have been no monetary losses in FY23 as a result of legal proceedings associated with professional integrity.

## Activity metrics

Activity metric	Category	SASB code	Response
Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	Quantitative	SV-PS-000.A	(1) 89% (7,040 FTE) (2) 11% (870 FTE) (3) We have around 35,000 vendors and freelancers who are paid on invoice.
Employee hours worked, percentage billable	Quantitative	SV-PS-000.B	2,979,240 19% Our primary business model is based on words translated but billing per hour is typical of some services adjacent to localisation such as testing, DTP and multimedia services, etc.

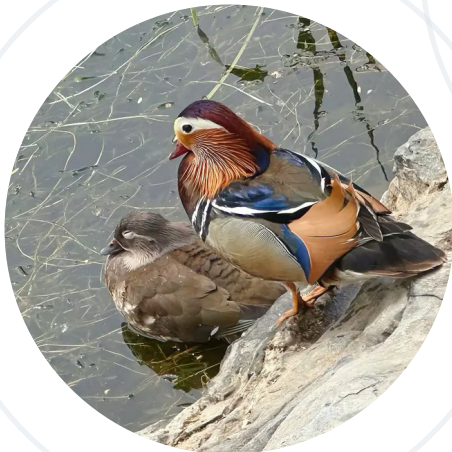






Table 1. ROLE REPRESENTATION OF RWS EMPLOYEE RESPONSES (FY23)

Role	%
Senior Manager or Executive	5.74%
Manager or Team Leader	27.50%
Non-Manager	58.53%
Prefer not to say	8.22%

Table 2. GLOBAL GENDER REPRESENTATION OF RWS EMPLOYEES\* (FY23)

Gender	%
Female (Female or Cis woman)	54.14%
Genderqueer	0.52%
Genderfluid	0.30%
Intersex	0.05%
Male (Male or Cis man)	39.20%
Non-binary	0.55%
Trans woman/Trans female	0.10%
Trans man/Trans male	0.17%
Prefer not to say	4.37%

\*For inclusivity, we included additional options under gender representation.

Table 3. RACIAL/ETHNIC GROUP REPRESENTATION\* (%) (FY23)

Ethnicity	All employees
Arab	0.84%
Black or African or Caribbean (For example: African / Caribbean / Any other Black, African or Caribbean background)	0.65%
East or South-East Asian (For example: Chinese / Korean / Japanese / Vietnamese / Filipino / Any other East or South-East Asian background)	21.71%
Hispanic or Latino (For example: Brazilian / Argentine / Colombian / Chilean)	7.06%
Mixed or Multiple ethnic groups(For example: White and Black Caribbean / White and Black African / White and Asian / Any other Mixed or Multiple ethnic background)	1.67%
Native Hawaiian or Pacific Islander	0.05%
Native American or Alaskan	0.13%
South Asian (For example: Indian / Pakistani / Bangladeshi / Any other South Asian background)	16.22%
White	44.45%
Prefer not to say	4.98%
Other	2.24%

\*As RWS is a UK-based company, and for inclusivity, we did not restrict the racial/ethnic groups

Table 4. EMPLOYEE TURNOVER RATES, % (FY23)

FY23	%
Turnover*	17.4%
Voluntary	11.9%
Involuntary	5.5%

\*Challenges remain with data accuracy given the manual collation of data required as a result of the current multiple HR information systems.

Table 5. EMPLOYEE ENGAGEMENT SCORES (FY23)

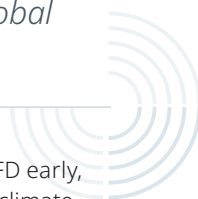
	Favourable	Neutral	Unfavourable
My work gives me a feeling of personal accomplishment	65%	21%	15%
I would recommend RWS to people I know as a great place to work	61%	25%	14%
RWS as a company motivates me to excel in my work	56%	25%	18%



# Task Force on Climate-related Financial Disclosures (TCFD)



*Recognition of climate-change impacts and the need to act proactively is increasing. The hottest recorded July, August and September was experienced in 2023 and, if action is not taken by all, these changes will become long lasting. RWS has the desire to lead by example. This is evidenced by it becoming a signatory of the TCFD before it became mandatory, and submitting its intent to set science-based targets ensuring that RWS can support the achievement of keeping global temperature rises to 1.5°C or less.*



Following our decision in 2021 to start reporting in line with TCFD early, these disclosures include our actions taken to date to align our climate risk disclosures with the TCFD recommendations. Doing so will enable our stakeholders to understand the ways in which climate change is affecting our business now, and in the future, as well as the steps that we are taking.

In meeting the requirements of Financial Conduct Authority (FCA) listing rule 9.8.6R in respect of TCFD we have concluded that:

- We comply fully with recommended disclosures 1 to 10.
- We comply partially with recommended disclosure 11.





TCFD pillar	TCFD recommended disclosures	Cross-reference or reason for non-compliance	Comments and next steps
Governance	1. Board oversight of climate-related risks and opportunities	Page 76 Compliant	The Board will continue to review the climate-related risks and opportunities routinely.
	2. Management's role in assessing and managing climate-related risks and opportunities	Page 76 Compliant	We will continue to develop the roles and responsibilities of management in assessing and managing climate-related risks and opportunities across the Group.
Strategy	3. Climate-related risks and opportunities in the short, medium, and long term	Pages 77 to 79 Compliant	We have completed a scenario analysis in respect of climate-related risks and opportunities across the short-, medium-, and long-term, and will continue to review and update the respective scenarios.
	4. Impact of climate-related risks and opportunities on our business, strategy, and financial planning	Pages 80 to 81 Compliant	We have completed a scenario analysis in respect of climate-related risks and opportunities and these are being incorporated into financial planning. In FY24 we will further integrate our climate-related risk mitigation into our strategic planning and forecasting, and continue to review how climate change may impact our medium-term strategy.
	5. Resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Page 82 Compliant	Based on current weather fluctuations, we have made a number of assumptions associated with those states and what could be experienced.  Through our climate scenario analysis we believe our business is resilient in the short-, medium-, and long-term. In FY24 we will continue to review how climate change may impact our strategy.
Risk management	6. Our processes for identifying and assessing climate-related risks	Page 83 Compliant	The Executive Team will continue to be responsible for identifying potential climate-related risks which will be assessed as part of the Group's risk process.
	7. Our processes for managing climate-related risks	Page 83 Compliant	Climate change risks are managed through our risk management process and after they are assessed, risk profiles are produced at a business level with Board-level oversight.
	8. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Page 83 Compliant	We will continue to monitor and manage our climate-related risks and ensure that each risk is monitored and managed appropriately.
Metrics and targets	9. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Page 84 Compliant	Although we were able to report against our carbon-related performance metrics for Scope 1 and 2 in FY22, due to changing and improving our methodology for capturing and measuring Scope 3 in FY22, our Scope 3 carbon emissions changed significantly from FY21. We are now able to report against our carbon-related performance metrics for Scope 3.
	10. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	Page 85 Compliant	This is our fourth year we have disclosed our Scope 1, 2 and 3 emissions. In FY22, we expanded the tracking and reporting of our Scope 3 indirect emissions to enable us to set science-based targets.
	11. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Pages 85 to 86 Partially compliant – we prepared our science-based targets in FY23 and these will be submitted to the SBTi for validation early in FY24.	In FY23 we prepared our science-based targets for submission to the SBTi for validation and will continue the process of developing and reporting on our climate-related performance metrics.  We will continue to monitor regularly our progress to reduce our carbon emissions.



## Task Force on Climate-related Financial Disclosures (TCFD) (continued)

### GOVERNANCE

#### a. Board oversight of climate-related risks and opportunities

The Board is responsible for overseeing and directing the overall RWS strategy, including agreeing the Group's position and commitments on key sustainability and climate-related matters. Climate-related issues are discussed during Board meetings, in addition they receive monthly reports on sustainability and ESG issues from the Head of Sustainability and ESG.

The climate-related issues raised to the Board inform and influence business strategy decisions, including annual budgets, major plans of action and associated capital expenditures, remuneration, transition plans and targets.

Some good examples of this include:

(1) The approval of a significant digital transformation programme on large portions of its core systems and processes. Moving to less energy-intensive technologies is a major investment and a strategic move that will help RWS reach its climate-change management and sustainability goals.

(2) The individual climate-related goals given to members of the Executive Team are linked to the group bonus structure.

The RWS Board includes the Chairman of the Board, the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), and five other independent Non-executive Directors. Two of the Board's members (the CEO and CFO) are also core members of the Executive Team, ensuring the key topic of sustainability filters to several layers of top management. The General Counsel and Company Secretary also attends scheduled board meetings and is a member of the Executive Committee.

The Board is assisted by the Executive Team providing detail and more focused oversight of the Group's policies, programmes, and related risks that concern key sustainability and climate matters. The CEO has direct oversight of the sustainability and climate agenda, including strategic decisions and performance management. The CEO and General Counsel and Company Secretary co-ordinate reporting by the Executive Team on progress on risk mitigation efforts to the Board, including those for any identified climate-related risks.

The Board's oversight of progress against climate-related goals and targets includes the submission of the Group's science-based targets to the Science Based Targets initiative (SBTi) in December.

#### b. Management's role in assessing and managing climate-related risks and opportunities

The CEO heads the Executive Team, which is responsible for identifying climate-related risks and opportunities, and managing implementation of any key actions approved by the board. The Executive Team committee includes the following members:

- Chief Executive Officer
- Chief Financial Officer
- Chief Language Officer
- Chief People Officer
- Group Corporate Development Director
- The General Counsel and Company Secretary
- President, Enterprise Services
- President, IP Services
- President, Regulated Industries
- President, Language Services and Technology

The Executive Team assists the Board in providing additional localised implementation support of the Group's policies, programmes, and risks that related to key sustainability and climate matters.

As mentioned above, the CEO oversees the sustainability and climate agenda. The Executive Team reports to the CEO on all climate-related issues. The General Counsel and Company Secretary, in addition to holding overall responsibility for legal and governance functions, is responsible for co-ordinating the Group's overall risk management programme. This includes the preliminary identification, assessment, and prioritisation of top strategic, operating, and business risks.

Regular monthly reports are made to the Board by the Head of Sustainability and ESG and Executive Team members. These monthly reports cover a wide range of corporate sustainability topics, such as updates on climate change risks. In addition, the Board formally reviews climate-change topics at least once annually, with supplementary formal meetings called as required to address primary identified risks.

RWS also offers financial incentives for achieving climate-related goals, ensuring that sustainability is a crucial topic for every member of the Senior Leadership Team. The Executive Team and Senior Leadership Team have climate-related targets and KPIs that are linked to additional remuneration.



## STRATEGY

### a. Climate-related risks and opportunities in the short, medium and long term

RWS considers a range from one to three years as 'short-term', from three to five years as 'medium-term', and anything over five years as 'long-term' which is aligned with the Group's business planning.

Using a risk matrix approach, a substantive financial or strategic impact is defined as one having both:

- A financial impact of £10,000,000 or more cumulatively in the short-, medium- and long-term
- A probability of very likely or higher

As part of its overall risk-management strategy, RWS has identified a good number climate-related risks and opportunities that potentially could have a material financial impact on the organisation. These have been categorised into regulation, technology, market and physical climate change risks and opportunities.

A summary of the identified short-, medium-, and long-term risks and opportunities have been summarised below:

#### Regulation (current, emerging, and legal)

Time horizon	Risks	Opportunities
Short-term	Our clients expect RWS to comply with all relevant climate-change related legislation in each of the countries in which it operates. Failure to comply could result in fines, damage to reputation, and loss of clients. RWS has ISO 14001:2015 Environmental Management certifications and compliance at several sites across the globe, collectively covering 62% of offices by FTE. RWS has a goal to increase this coverage to over 90% by the end of FY30. This helps to ensure compliance with all relevant regulations.	As a result of compliance with climate-change regulations such as Article 8, ESOS, and SECR, RWS identifies and reviews energy and carbon saving opportunities regularly. These are implemented where possible to continually improve energy performance and reduce climate change impact.
Medium-term	New legislation may be implemented or existing legislation updated. For example, the IFRS Foundation, which oversees the International Sustainability Standards Board (ISSB), will take over the monitoring of companies' progress on climate related disclosures from the TCFD. Another example is the UK's Energy Savings and Opportunity Scheme (ESOS) is currently in the process of being updated, with further anticipated compliance requirements being included for the current (third) and future phases. Additional legislative requirements may result in the need for supplementary support and additional resource. RWS conducts horizon scanning to ensure it stays aware of impending changes to legislation.	RWS recognises that legislative requirements that require the reporting and reduction of carbon emissions, supports it on its sustainability improvement journey. Upcoming legislative changes provide opportunity for improvement as well as generating potential additional revenue for RWS services, which helps clients demonstrate climate change reduction measures.
Long-term	Emerging legislation is managed as part of the RWS internal risk management process. This ensures that new and upcoming regulatory requirements are identified and mitigation measures are implemented well in advance of their required compliance deadlines. For example, RWS took the proactive approach to comply with the TCFD requirements well before they became a mandatory requirement.	Just as RWS has made efforts to align itself with emerging regulations, its clients are also facing the same risks. Increased regulatory burdens for clients can lead to higher demand for RWS services through increased requirements to localise content. This potential increase in demand is influential in the long-term business plan for RWS.



## Task Force on Climate-related Financial Disclosures (TCFD) (continued)

### Technology

Time horizon	Risks	Opportunities
Short-term	Due to the nature of the RWS business offerings, it has identified data centres as being one of the most significant sources of its energy consumption and carbon emissions. To reduce this impact, they have committed to sourcing 100% renewable energy contracts wherever practicable and to investigate the viability of increasing the implementation of physical renewable technology across its portfolio in the short-term e.g. solar PV.	Opportunities for implementing new technology is likely to include improved energy efficiency, which will translate to direct cost savings and reduced carbon emissions. For example, improved energy efficiencies are expected through the significant upgrades to the RWS IT infrastructure currently being implemented through a Group-wide digital transformation programme.
Medium-term	Our technology use constitutes the majority of its energy consumption and associated Scope 1 and Scope 2 carbon emissions. Innovation focused on low/no carbon technology forms a central part of RWS sustainability agenda and climate change goals. To aid with this, significant upgrades to IT infrastructure are being implemented through a Group-wide digital transformation programme, which includes the upgrading of existing equipment and software.	In response to global events such as the Covid-19 pandemic and the war in Ukraine, RWS has adapted practices by enhancing IT infrastructure improvements and enabling agile working practices. This in turn has reduced direct costs and encourages further innovation to improve resource diversification.
Long-term	Risks and opportunities from emerging technology are always considered. To manage this, RWS constantly investigates new technologies which have the potential to improve energy efficiencies and reduce its carbon footprint. Examples of this can be seen with recent technological innovations in solar PV efficiencies.	As RWS continues to transition to carbon net zero and implements energy efficiency improvements across its portfolio, its products and services will become even more low carbon, providing RWS with the opportunity to improve its marketing and attract new clients.

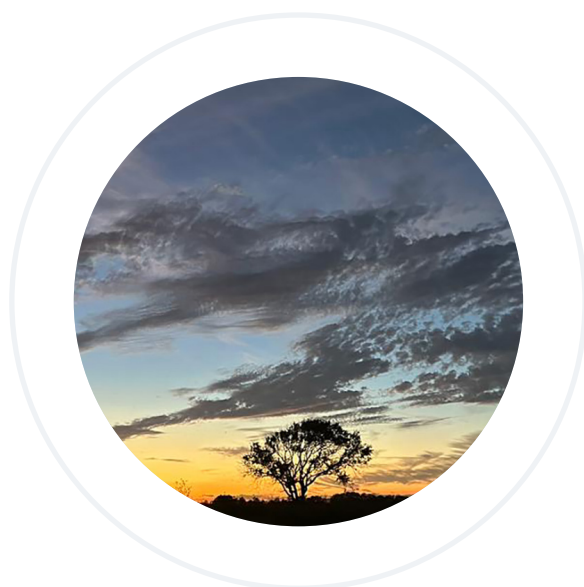
### Market and Reputation

Time horizon	Risks	Opportunities
Short-term	Increasingly, clients are aware of environmental issues and have a strong preference for businesses which demonstrate good climate change and environmental management practices. Our climate change management strategies are aligned with various frameworks and guidance such as the TCFD. In addition, RWS continues to demonstrate transparency through annual CDP disclosures and published reports.	RWS has been preparing science-based targets for submission and verification and is aiming that these will be in place within the next 12 months. This, in conjunction with meeting client expectations, will have a positive impact on reputation and in identifying further opportunities to provide new services to emerging markets.
Medium-term	Carbon net zero commitments and science-based targets are gaining traction and quickly becoming a standard for responsible businesses. If businesses are unable to demonstrate this level of commitment, they risk losing clients.  In FY22, RWS committed to carbon net zero by 2050 and is in the process of implementing short-term science-based targets aligned with the SBTi.	Identifying market and reputational risks aids RWS in continually reviewing and improving its climate change management practices. This benefits clients and can provide competitive advantage in the marketplace.
Long-term	The commitment to becoming carbon net zero is long-term. This will require regular updates and carbon emission calculations. If RWS is unable to achieve these targets or demonstrate adequate progression, there is a potential risk of losing clients. RWS continually reviews its energy consuming assets to identify ways to reduce carbon emissions.	Showing good progress towards achieving carbon net zero will likely attract new clients and generate additional revenue.



## Physical climate change

Time horizon	Risks	Opportunities
Short-term	<p>Changes in temperature and increased severity of extreme weather conditions are already being experienced as a result of climate change. The risks associated with this include increased energy consumption and associated carbon emissions from systems and disruptions in accessing facilities. RWS is mitigating this risk by offering agile working options and investigating energy efficiency improvements at its offices.</p>	<p>Responding to Covid-19 has demonstrated that remote working is a viable option. Enhancing the remote working opportunities for RWS colleagues across the globe will improve resilience to climate change weather impacts by enhancing agile working flexibility.</p>
Medium-term	<p>Some RWS locations are at risk of acute physical climate changes events, such as flooding.</p> <p>To mitigate this, our climate-related risk strategy includes increasing investment in IT infrastructure and the promotion of different working styles e.g. remote. This allows more flexibility and ensures the level of service remains the same despite any restrictions caused by climate change.</p>	<p>Continuing to investigate ways in which RWS can improve productivity aligns with the carbon net zero strategy.</p>
Long-term	<p>RWS recognises that climate change will increase the severity and frequency of extreme weather events, potentially causing localised disruption to supply chains and networks. To mitigate this, the RWS long-term climate-related risk strategy includes reviewing the location of offices and improving the resilience of its current estate portfolio, software testing labs and recording studios.</p> <p>Chronic physical events represent both a medium- and long-term risks. RWS is investigating ways to limit its exposure to damaging chronic physical events, with a focus to build business continuity into its office network and supply chain through a responsible suppliers network.</p>	<p>Not only are site locations considered as part of the RWS long-term business strategy, but also their energy performance. By operating from energy efficiency buildings, our scope 1 and 2 carbon emissions will reduce significantly.</p>





## Task Force on Climate-related Financial Disclosures (TCFD) (continued)

### b. Impact of climate-related risks and opportunities on business, strategy, and financial planning

RWS conducts three different scenario analyses using Representative Concentration Pathways (RCPs) to assess the identified climate-related risks and opportunities in the short-, medium-, and long-term. They are then prioritised using the risk matrix method as described above. For more detail on the climate-related scenarios used to inform our strategy and financial planning, see 'Strategy' section 'C' below.

The impact of climate-related issues through FY23 is assessed in a separate but similar matrix structure, and a range for financial impacts is assigned by relevant department heads, e.g. for short-term disruptions to software testing and production in one region requiring services to be rerouted, a temporary increase of 25 to 50% of the cost of production in the affected area has been estimated. Further detail on the impact of climate-related issues can be found in the Environmental section on pages 24 to 30.

RWS business, strategy, and financial planning are affected by climate-related issues in the following seven ways:

#### PRODUCTS AND SERVICES

For the last few years there has been a noticeable increase in the demand for sustainable products and services. There has been a shift in market preferences, with clients preferring to engage with sustainable businesses. RWS continues to investigate ways to optimise its products and services, focusing on reducing carbon emissions while also ensuring client satisfaction and improving efficiencies wherever possible.

In the first half of FY23, RWS noted an increase in Language and Content Technology revenue growth. There was progress in the AI Data Services and eLearning solutions growth initiatives, both of which support a transition to computer-based activity and away from in-person, travel-intensive operations. We also continue to provide remote interpreting, transcription and subtitling services that reduce the need for in-person events and consequently which benefit travel emissions; these spiked during the pandemic but have remained strong as new modes of working have become established.

Strong demand has also continued from our corporate and financial services clients in relation to the reporting of their own ESG initiatives and progress. We are working with numerous multinationals, asset managers and investment banks in translating their stakeholder communications for global audiences, particularly as they relate to decarbonising the global economy through investment in renewable energy and the transition away from fossil fuels.

RWS has also begun to identify projects undertaken for clients which are directly linked to climate change, e.g. localising patents for blades for windmills or insulation material; localising information related to electric vehicles and solar panels; localising ESG-related information resulting from regulatory disclosures such as the Corporate Sustainability Reporting Directive (CSRD) and the Sustainable Finance Disclosure Regulation (SFDR); and thought leadership content produced by clients to market and sell financial products. It is estimated that over £1.5m in sales relating to such projects have been won in FY23.

#### SUPPLY CHAIN/VALUE CHAIN

In FY23, the majority of the RWS global carbon footprint is related to Scope 3 categories. A significant portion was attributable to its value chain. To reduce upstream carbon emissions, RWS is rolling out a programme of engagement with its suppliers on their climate-change management strategies through required supplier questionnaires and/or engagement through a risk screening, performance mapping rating software platform for supply chain sustainability issues. Suppliers who are seen as managing their climate-change strategy actively are preferred, and suppliers who are not will be encouraged to improve. The Group's expectations are listed in its Supplier Code of Conduct and Corporate Sustainable Policy Statement.

To promote the ethos of sustainable management of climate-change, clients and investors are informed of RWS climate-related risk management strategies through published reports, including Annual Reports and the ESG reports, CDP disclosures, annual GRI reports, and TCFD statements.

#### ADAPTATION AND MITIGATION ACTIVITIES

RWS has considered its impact on the environment and on overall climate-change carefully. The Group's risk management programme is headed by the General Counsel and Company Secretary, and is supported by the Executive Team and relevant top management. To demonstrate its commitment to being a sustainable business, in 2022 RWS officially committed to set science-based targets to be carbon net zero through the SBTi.

Additional sustainable and climate-change mitigation activities are encouraged throughout the RWS global offices. In FY23, RWS held an ESG competition with categories including 'Green Office of the Year' and 'Biodiversity Project of the Year'.





## INVESTMENT IN R&D

Technological advancements have been identified as a primary risk in the Group's risk management programme. RWS scans for and reviews innovations in technology that can improve efficiencies while reducing energy consumption. As virtual workplaces become more common and its clients span across the globe, important consideration is given to new, innovative ways to deliver products and services as efficiently as possible. RWS is committed to investing in growth areas, technology products and infrastructure with a view to accelerate organic growth.

Throughout FY23, RWS has been investing in a technology transformation programme which will reduce the carbon emissions generated from its business operations. Investing in this technology transformation is a key component of the RWS strategy for becoming carbon net zero.

## OPERATIONS

RWS has noted a significant increase in the number of clients requesting robust climate-change management from their suppliers. To ensure RWS meets or exceeds these expectations, it complies with all relevant climate-change regulations and actively improves its climate change management wherever possible. RWS holds itself to high accountability standards. As a result in FY22 RWS improved the accuracy of its footprint by improving data collection and GHG emissions to include both operations and supply chain, and committed to setting carbon reduction targets which are aligned with the SBTi. The new targets were submitted to the SBTi in December for validation and will be published once validated. The accuracy of emissions measurement was further improved in FY23. To encourage transparency, the RWS climate change management strategy is publicly reported on several platforms, including Annual Reports, TCFD, and CDP disclosures.

## ACQUISITIONS AND DIVESTMENTS

In FY23 RWS acquired Propylon Holdings Limited (Propylon), a leading legal and regulatory content management solution provider, for €30.1 million on a cash-and-debt free basis with additional deferred payments of €6.45 million due on each of the first and secondary anniversary of completion. The acquisition was funded from existing cash resources of RWS and bank facilities.

Propylon's Component Content Management System allows users to author, edit, and finalise content in a user-friendly way. It also provides software to a range of standards bodies and global regulated professional services organisations, helping them solve the content challenges with drafting, amending, publishing and updating legislation, regulation and guidance.

Including Propylon's CCMS and software within the RWS portfolio compliments and further strengthens the RWS business offerings, helping its clients reach further around the globe.

## ACCESS TO CAPITAL

Many of the measures detailed throughout this section contribute to ensuring RWS has access to capital. Strengthening its climate-change management strategy through commitments to carbon net zero, transparent engagement with its value chain, and investments in technological advancements can generate additional revenue from drawing in new clients with similar values. The initiatives themselves may have several benefits, e.g. improving the accuracy of its data collection and carbon footprinting not only aids with our carbon net zero journey, but also can lead to improved business decisions to reduce costs on an ongoing basis, while also a reduction in our systems and as such reducing run costs.

A long-term strategy to net zero also allows RWS to access new sources of investment, while also more traditional lenders are favouring businesses with a clear strategy.





## Task Force on Climate-related Financial Disclosures (TCFD) (continued)

### c. Resilience of the strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

RWS conducts three different scenario analyses to assess climate-related risks and opportunities in the short-, medium-, and long-term. RWS uses RCPs as adopted by the Intergovernmental Panel on Climate Change (IPCC). The three climate scenarios used include:

- Low emission scenario (RCP 1.9) – this modelling pathway is used to predict measures needed to keep global temperature increases below 1.5°C.
- Medium emission scenario (RCP 2.6) – this pathway predicts the keeping global temperature increases below 2°C.
- High emission scenario (RCP 8.5) – this pathway is more widely known as a ‘business as usual’ or worst-case scenario. Without mitigation efforts, global temperatures are predicted to increase an average of 3.7°C.

Assumptions used for the scenario analysis include relevant weather fluctuations, carbon tax levels, extreme weather impacts on businesses and supply chains. The assessments span the identified climate-related physical risks, transition risks, and opportunities. See the ‘Strategy’ section for further detail on these identified risks and opportunities.

A qualitative scenario analysis was also undertaken to analyse the impacts of climate change on revenue; assumptions for the qualitative scenarios include various increases in energy costs due to climate change.

RWS incorporates each of the scenario analyses in its climate change risk assessments, which is used to drive the overall business strategy. These risks are assessed annually, and any additional significant risks and opportunities identified will be incorporated into the scenario planning to influence the overall strategy and financial planning.

For FY23, it was determined that all climate-related risks that have been assessed are able to be mitigated. For example, after identifying a transitional risk surrounding technology, a decision was made to upgrade IT infrastructure through a Group-wide digital transformation programme, requiring an overhaul of existing equipment and software.

Similar to FY22, it was not possible to estimate a single figure for the full financial impact of all identified climate change risks and opportunities. However, RWS is confident that the costs of meeting its sustainability and climate change goals will be at least partly mitigated by its climate-related initiatives and associated benefits. Some of the initiatives undertaken in FY23 include:

1. Reducing operating costs and energy consumption where possible – as RWS promotes an agile working style for its colleagues, some sites were identified as being larger than required. To limit unnecessary energy consumption and carbon emissions, offices in Indore (India), Rosario (Argentina), and Bydgoszcz (Poland), were downsized and the office in London (UK) was consolidated in 2023. The Indore office was moved to a ‘green’ building, which will aid with reductions in energy consumption.
2. Investment in R&D to improve the RWS IT system – RWS continues to review technological advancements and use the most energy efficient and latest technology available, which supports the attainment of its sustainability and climate change goals.
3. Enhanced engagement with its value chain – RWS is rolling out a new onboarding questionnaire which will enable RWS to score and rank suppliers based on the robustness of their climate change management and carbon emissions. RWS also utilises the Watershed platform which pulls data from CDP to identify which suppliers have validated science-based targets; and EcoVadis to engage with the circa 80% of suppliers and track details on their climate-change management. This approach is tailored to each supplier based on size, where more climate change information is being requested from larger suppliers. This will enable RWS to target the larger carbon emitting suppliers and encourage them to reduce their climate change impact.
4. Improving the accuracy of its carbon footprint – in FY22, improvements to data collection and GHG emissions were implemented, including across both operations and supply chain. RWS also committed to setting carbon reduction targets which are aligned with the SBTi. The new targets were submitted to the SBTi in December for validation and will be published once validated.





## RISK MANAGEMENT

### a. The processes for identifying and assessing climate-related risks

The Executive Team assists the General Counsel and Company Secretary with the identification of risks through horizon-scanning activities. Potential risks related to existing and future regulation, reputation and markets, potential financial impacts, and physical climate change are all considered carefully.

Once identified, risks are prioritised using a risk matrix approach which assesses the potential impact, both financial and reputational, on the Group and the likelihood of occurrence. Risks are considered substantive if they have a financial impact of £10,000,000 or more, and a probability of very likely or higher. Risks are assessed over the short-, medium-, and long-term on both a gross basis and net basis, i.e. without considering existing mitigations and then with existing mitigations, respectively. As detailed under 'Governance', climate strategy scenarios are also used to quantify the impact that risks may have on the business.

### b. The processes for managing climate-related risks

A formal risk assessment review is undertaken annually to prioritise principal risks using the above defined risk matrix (impact equals level of hazard vs likely probability). Potential appropriate actions are also identified. These risks and actions are presented to the CEO and Board, influencing business strategy.

The Group routinely monitors for emerging regulatory developments, complies with reporting requirements, annually benchmarks its performance against climate and sustainability targets, and develops specific action plans for carbon reduction.

A good example of this is the Group's commitment to Net Zero by 2050 and submission of targets to the SBTi in 2022. This significant action addresses several risks at once; e.g. the reputational and market risks associated with a noticeable shift in consumer preferences towards companies with robust climate-change mitigation strategies.

### c. How processes for identifying, assessing, and managing climate-related risks are integrated into overall risk management

As mentioned above in the 'Governance' and 'Strategy' sections, the General Counsel and Company Secretary has overall responsibility for co-ordinating the Group's risk management programme. She is assisted by the Executive Team, the Head of Sustainability and ESG, and additional top management.

RWS promotes transparency on its climate-change management strategy through engagement with stakeholders throughout its value chain. Details on how RWS has responded to risks are provided through news releases, stock exchange announcements, and published reports such as its GRI Report and its Environmental, Social and Governance Report.



## Task Force on Climate-related Financial Disclosures (TCFD) (continued)

### METRICS AND TARGETS

a. The metrics used to assess climate-related risks and opportunities in line with strategy and the risk management process

RWS uses two metrics to compare its carbon emissions and measure its climate change impact: revenue (£m) and number of employees (FTE). To align with science-based targets, RWS has adjusted its baseline to FY22. The following table demonstrates the FY23 results and how they compare to FY22.

Intensity metric	Intensity metric 1 Metric tons CO <sub>2</sub> e per unit revenue (£M)			Intensity metric 2 Metric tons CO <sub>2</sub> e per unit FTE		
	FY22 (Baseline)	FY23	% change to baseline year	FY22 (Baseline)	FY23	% change to baseline year
Scope 1	0.73	0.67	9.3%	0.07	0.06	11.0%
Scope 2 (location-based)	5.56	7.01	-26.2%	0.53	0.65	-23.7%
Scope 3	45.34	42.04	7.3%	4.29	3.90	9.1%
<b>Total</b>	<b>51.63</b>	<b>49.72</b>	<b>3.7%</b>	<b>4.89</b>	<b>4.61</b>	<b>5.6%</b>

Scope 1 and 3 intensity metrics show reductions when compared to FY23, ranging from 7.3% to 11.0%. The Scope 2 intensity metrics show increases of 23.7% to 26.2%. Collectively, RWS can demonstrate carbon emission improvements in both intensity metrics of 3.7% and 5.6%.

The rise in the Scope 2 intensity findings stems from greater utilisation of office space during FY23. RWS has implemented an energy performance site selection programme proactively where the energy efficiency of new buildings is considered before leases are secured. This, along with identifying energy efficiency improvements, will help improve Scope 2 emission performance in the future.

Each member of the Executive Team and Senior Leadership Team has objectives to further RWS climate change and sustainability goals. Additional remuneration can be awarded for reaching appropriate benchmarks and milestones. Once RWS science-based targets have been finalised and verified by the SBTi, additional metrics will likely be developed and included within the existing remuneration reward scheme.



## b. Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions and the related risks

RWS Scope 1, 2 and 3 greenhouse gas (GHG) emissions are included in detail on pages 27 to 29 of this report. These have been calculated using the GHG Protocol methodology. RWS emissions are as follows:

Scope	FY23 GHG Emissions (tCO <sub>2</sub> e)
Scope 1	488
Scope 2 (location-based)	5,147
Scope 2 (market-based)	4,634
Scope 3 (location-based)	30,851
Scope 3 (market-based)	30,824
<b>Total (location-based)</b>	<b>36,486</b>
<b>Total (market-based)</b>	<b>35,946</b>

Note: The above Scope 3 emissions include the following categories:

- Category 1 (Purchased Goods and Services)
- Category 2 (Capital Goods)
- Category 3 (Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2)
- Category 5 (Waste Generated in Operations)
- Category 6 (Business Travel)
- Category 7 (Employee Commuting)
- Category 8 (Upstream Leased Assets)

RWS recognises that the risks associated with ignoring climate change include physical climate disruption, resource depletion, and various knock-on transitional effects, as well as the business specific risks already identified and discussed in detail within the previous TCFD strategy section.

As a business with a complex and vast value chain, RWS also recognises that it must play its part to mitigate the effects of climate change through a robust climate change management strategy.

## c. Targets to manage climate-related risks and opportunities, and performance against targets

RWS has an overall target of becoming carbon net zero by 2050, and has publicly committed and published this target with the SBTi in 2022. To achieve this, there are several interim targets (see target ref. numbers 1 and 2 in the below table) to aid with the tracking of the Group's performance. We have submitted the following targets to SBTi for their review.

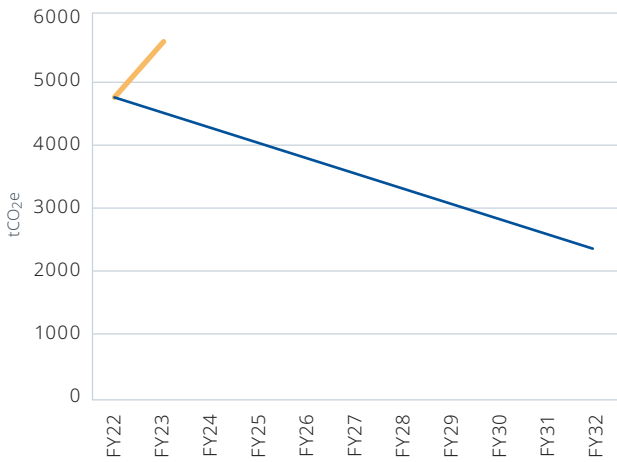
Target ref. number	1	2
Type of target	Absolute	Intensity
Coverage	Scope 1 and 2	Scope 3 Category 1 – Purchased Goods and Services
Metric (if applicable)	N/A	Gross profit (£1M)
Target	50.4% reduction	58.1% reduction
Base year (FY22) result	4,714	63.7
Expected result in target year (FY33)	2,338	26.7
<b>% of target achieved in FY23, relative to base year</b>	<b>-38.8%</b>	<b>25.6%</b>



# Task Force on Climate-related Financial Disclosures (TCFD) (continued)

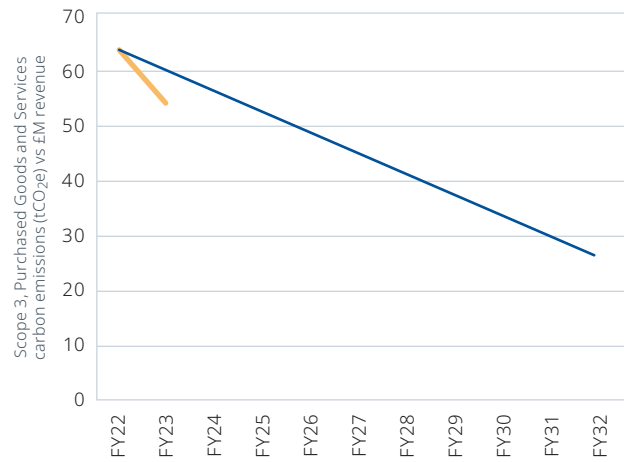
## Absolute reduction target 1

50.4% reduction in Scope 1 and 2 carbon emissions by FY33



## Intensity reduction target 2

58.1% reduction in Scope 3 Purchased Goods & Services carbon emissions vs £M gross profit by FY33

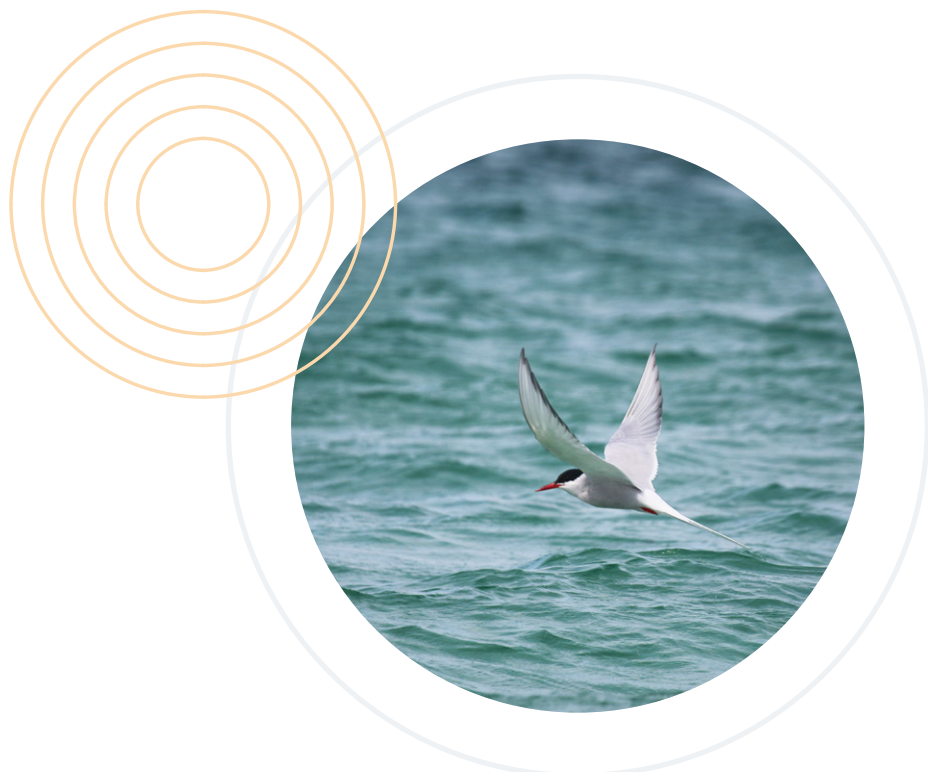


— PROJECTED TARGET — ACTUAL

An increase in Scope 2 carbon emissions is evident in FY23 when compared to FY22. This has impacted target 1 above. As mentioned previously, this rise is from increased utilisation of office space. To mitigate this RWS has implemented an energy performance review programme proactively, where the energy efficiency of new sites is considered before they are secured. This will support improving Scope 2 emission performance in the future.

The Scope 3 intensity performance in FY23 shows a positive improvement, indicating that 25.6% of the targeted reduction has been achieved. This is nearly two years ahead of the current target. This is the result of working with the supply chain, increasing the emphasis on carbon performance, and enhancing carbon measurement methodologies.

In addition, RWS has targets on transitioning to 100% renewable electricity across its estate portfolio wherever possible. In FY23 13.8% was achieved.





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Financial Statement, please visit:

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